

The NATIONAL UNDERWRITER

Life Insurance Edition

A MESSAGE TO TOP MANAGEMENT:

Do we really want to abolish failure?

Those who openly lament our failures in the life insurance business sometimes put idealism ahead of good sense. That's a forgivable trait. But does anyone really expect to abolish failure? NWNL, like many other fine companies, has attained some success in minimizing failure; but like most others, we're realistic: Take away all failure and you would also abolish success and any sense of real achievement.

All of us know it's a tough job to find good men, recruit, train, and establish them in our business—tougher still to select from them those who have management talent and make them successful agency heads. But that's what makes our business tick. Life Insurance selling is a "natural" for men who are fed up with mere job-security and riskless humdrum. And we need the kind of men who are more concerned with opportunity for success than they are with the risks involved in getting there.

What goes for the new agent or manager also goes for top management. A sense of real achievement in management comes only from taking risks to develop both new men and new management. The best you can hope for is to cut your failures to a minimum. But from your successes you'll gain a sense of having achieved something for your men, your company, and for the business as a whole.

NORTHWESTERN *National* LIFE
OF MINNEAPOLIS

One of America's great Life insurance companies

FRIDAY, NOVEMBER 13, 1953

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Green Bay, Wisconsin
Andy W. Anderson
Spokane, Washington
Charles O. Anderson
Sterling, Illinois
Jacob H. Andes
Los Angeles, California
Fred R. Bannister
Baltimore, Maryland
Joseph Barrett
Newark, New Jersey
Thomas P. Baskin
Asheville, North Carolina
Joseph A. Bentley
Houston, Texas
Lawrence H. Blevens
Indianapolis, Indiana
Ralph T. Bloxson
Jackson, Michigan
Harold A. Boodway
Detroit, Michigan
Harry S. Bolles
Green Bay, Wisconsin
Eugene Bollmeier
St. Louis, Missouri
Cloyd E. Boner
Baltimore, Maryland
Lewis Borne
Honolulu, Hawaii
Fred C. Bowen
Spokane, Washington
William E. Brannon
Albuquerque, New Mexico
August Braun
St. Louis, Missouri
Todd D. Brewster
Pittsburgh, Pennsylvania
George B. Campbell
San Diego, California
Howard F. Casey
San Francisco, California
Leon D. Cate
Des Moines, Iowa
Jackson E. Chase, Sr.
Miami, Florida
Harry R. Crauder
Indianapolis, Indiana
Tony Criswell
Billings, Montana
Walter D. Crittenden
Buffalo, New York
Henry S. C. Cummings
Boston, Massachusetts
H. H. Cutts
Cleveland, Ohio
Thomas M. Durham
Shreveport, Louisiana
Alexander Faulkner
Rochester, New York
Russell M. Firby
Sacramento, California
C. B. Graham
San Diego, California
Alfred L. Harding
Detroit, Michigan
Russell C. Holler
Indianapolis, Indiana
Earl C. Holloway
Oklahoma City, Oklahoma
Robert Holt
Indianapolis, Indiana
Walker A. Holt
Asheville, North Carolina
Glenn C. Hopkins
Dayton, Ohio
Cecil J. Hopper
Denver, Colorado



Paul C. Blackburn
Indianapolis, Ind.



Max A. Blackburn
Indianapolis, Ind.



James D. Stanley
Albuquerque, N. M.



Roland G. Quam
Fargo, N. D.



Robert W. Hannah
Chicago, Ill.



Lee F. McCahren
Sioux Falls, S. D.



Malcolm Morse
Boston, Mass.



E. L. Franklin
Shreveport, La.



Stephen L. Neas
Roanoke, Va.



A. T. Edgerton
Meridian, Miss.



H. R. Henderson
Seattle, Wash.



Roscoe M. Porter
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Frank W. Howarth
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Ward Kille
Jackson, Michigan
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Syracuse, New York
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Walter R. Ledbetter
Dallas, Texas
Arthur T. Ledwich
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Jackson, Michigan
William F. Lowry
Minneapolis, Minnesota
A. L. Lytle
Los Angeles, California
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Seattle, Washington
James H. Marks
Columbus, Ohio
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J. Lloyd Minich
Wichita, Kansas
James T. Montano
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Tony Ness
Sedalia, Missouri
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Indianapolis, Indiana
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Spokane, Washington
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Portland, Oregon
S. G. Platner
Sterling, Illinois
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Roanoke, Virginia
James T. Richey
Asheville, North Carolina
George E. Rogers
Indianapolis, Indiana
Herbert J. Schoepper
Detroit, Michigan
Don M. Smith
Jackson, Michigan
Forest H. Snyder
Denver, Colorado
Ralph R. Sorg
Minneapolis, Minnesota
A. E. Sprague
Jackson, Michigan
Albert Swanson
Sterling, Illinois
Earl W. Trick
Harrisburg, Pennsylvania
Leonard R. Virden
Oklahoma City, Oklahoma
Archie J. Wells
Los Angeles, California

WE'VE BUILT OUR COMPANY

Together!

NINETY-ONE members of our present sales organization—the thirteen general agents pictured and the seventy-eight special agents whose names appear—were among the founders of The Paul Revere Life Insurance Company on June 10, 1930. And, in substantial measure, our growth and progress has been their accomplishment of the past twenty-three years.

The record of distinguished field service of these ninety-one original founders expresses their loyalty more adequately than words. Moreover, it reflects the career opportunities which they have found in The Paul Revere Life Insurance Company.

THE PAUL REVERE LIFE

WORCESTER

Frank L. Harrington

President



INSURANCE COMPANY

MASSACHUSETTS

Edward R. Hodgkins, Vice-Pres. & Mgr. of Agencies

NON-CANCELLABLE ACCIDENT and SICKNESS • LIFE • GROUP

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

57th Year, No. 46
November 13, 1953

NALU Trustees Like Challenge of Change New N. Y. Plan for Aid from Companies

State Body Hears Report;
Also Urges Keeping National
Office in Present Area

By ROBERT B. MITCHELL

NEW YORK—Trustees of the National Assn. of Life Underwriters are overwhelmingly in favor of permitting the New York State Assn. of Life Underwriters to go ahead with its plan for enlisting the financial aid of New York domiciled life companies so long as they are designated "industry associates" or something similar, and not "members," as in the original New York proposal.

This was reported here at the fall meeting of the New York state association by David B. Fluegelman, Connecticut Mutual, New York City, immediate past president of N.A.L.U., speaking for the special N.A.L.U. committee named to confer with the New York state body on the problem posed by the N.A.L.U. trustees' rejection of the New York company-member plan.

Mr. Fluegelman said he recently queried all members of the N.A.L.U. board by mail on how they felt about the New York plan if the companies were not to be members but were to be called "industry associates." The four newly elected members of the board disqualified themselves from expressing an opinion, as they had not been on the board when the matter was discussed at the annual meeting in Cleveland in August. Of the remaining 13, 12 favor the "industry associate" basis and one is against it.

Mr. Fluegelman said that "I can come as close as anyone could" to saying that the board of trustees will act favorably on the "industry associate" plan at its midyear meeting in March.

Members of the special committee, in addition to Mr. Fluegelman are Stanley Collins, Metropolitan Life, Buffalo, and Osborne Bethea, Prudential, Newark, secretary and treasurer, respectively, of N.A.L.U.

The state association would be just as happy to have the companies' financial aid as industry associates as to have the companies as members. The original plan was to have them as non-voting but dues-paying members, with dues set according to amount of business done in New York state, the top dues bracket being \$3,200.

It is understood that the companies don't care whether they are labeled members, industry associates, or some other acceptable designation, so long as they are not put in the position of seeming to side with a state association against the National association. With a clear and substantial majority ap-

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Is Theme for Annual Institute Meeting

The annual meeting program of Institute of Life Insurance, to be held Dec. 10 at New York City, will be built around the theme "Challenge of Change."

A preview of one of the Institute-sponsored radio programs, "The Search That Never Ends," a visual presentation by the staff of *Fortune* magazine under the direction of its publisher, R. D. Paine, Jr., and a luncheon address by Dr. Henry Wriston, president of Brown University, will be highlights.

Edmund Fitzgerald, president of Northwestern Mutual Life and chairman of the institute, will preside and open the program with an address on "Facing the Changes of Today and Tomorrow." In this talk, as in all other parts of the program, emphasis will be placed on changes in social and economic life, and those which seem imminent, and how the life insurance business has kept pace with those changes.

The radio preview will be a complete staging of one of the programs in the series produced weekly by the Mutual Broadcasting System in cooperation with the institute. Following this, Dr. Louis I. Dublin, institute consultant on health and welfare, will speak on "Life Insurance Looks at Health and Welfare."

The balance of the morning session will be given over to a report on institute activities, led by President Holgar J. Johnson. Dudley B. Martin, director of the press division, will speak on "Press Activities Meet Changes." Donald F. Barnes, director of the promotion and advertising division, will speak on "How America is Changing—the Cooperative Advertising Program." Mrs. Marion S. Eberly, director of the

BUTLER DEATH OPENS POST See Knowlton V.-P., Leggett as Chairman at NAIC Fla. Rally

Notices have been sent to the commissioners that at the mid-winter meeting of NAIC at Miami Beach elections will be held to take care of the situation caused by the recent death of George B. Butler of Texas. Mr. Butler was vice-president of NAIC and would have become the president at the June, 1954, meeting which is the annual gathering. The normal progression is from chairman of the executive committee to vice-president so that Donald Knowlton of New Hampshire in December is due to be advanced to vice-president and according to all the signs in the sky at present C. Lawrence Leggett of Missouri is due to be elected chairman of the executive committee.

Supreme Court Won't Hear Service of Process Cases

WASHINGTON—The U. S. Supreme Court denied certiorari writ in No. 322, Iowa State Traveling Men's Association vs. Parmalee (the unauthorized insurers service of process case), but Justices Reed and Jackson were of opinion it should have been granted.

The court also denied certiorari in No. 302, Kugler vs. Philadelphia Fire & Marine.

In Dalehite vs. United States (the Texas City case), the court denied motion for leave to file petition for rehearing, with the Chief Justice and Associate Justices Douglas and Clark taking no part in consideration or decision of the matter.

women's division, will speak on "How Changes Affect American Families." Edward B. Burr, director of the educational division, will speak on "The Changing Pattern of Education."

Following the luncheon will be the business meeting and election.

Richard E. Pille Takes LIAMA Reins at Chicago Annual

Many Sided Program
Draws 800 to Make
Meeting Biggest Ever

By CHARLES C. CLARKE

A program that embraced practically all aspects of the many faceted job of managing an agency drew some 800 executives to Chicago this week to make the LIAMA annual meeting there the best attended ever. Rounding out the program were other talks more particularly in the agency officer's province. That it was truly an agency officer's meeting is evidenced by the fact that some 30 such executives participated in the program.

Richard E. Pille, vice-president in charge of agencies for Mutual Benefit Life, was elected president at the Thursday session and introduced at the close of the meeting.

An LIAMA director for two years, Mr. Pille has been extremely active in insurance organization activities. He entered the business in 1930 with Travelers, switching to Connecticut



Richard E. Pille



Grant L. Hill

Late News Bulletins . . .

Rule on Hobart, Oates Favors Taxpayer

The U. S. court of appeals for the seventh circuit has handed down a decision favorable to the taxpayer in U.S. vs. Oates.

This is the famous case in which James F. Oates, former general agent for Northwestern Mutual Life at Chicago, arranged to receive \$1,000 a month from Northwestern for a period of 15 years in lieu of the renewal commissions that he would customarily have received following his retirement over a period of nine years.

He would, of course, have had an especially heavy income from renewals during the first year after retirement.

Asks N. Y. Investigation of Insurance

NEW YORK—Max Turshen, Brooklyn Democrat, and member of the assembly insurance committee, made daily paper headlines this week with his demand that the legislature investigate all life companies licensed in New York. His announcement that he would introduce a bill when the legislature convenes in January was due partly to criticisms made in the insurance department examination report on Equitable Society and partly to his contention that companies don't try hard enough to find "lost" policyholders to whom surrender values are due and that companies fail to tell rated risks that they are entitled to reductions if the cause of rating is removed.

Turshen is a member of the minority party and is not known as a leader in

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Mutual as a New York City agent in 1935. In 1945 he was named educational director of Connecticut Mutual and thus became the company's youngest officer at that time. He joined Mutual Benefit in 1947 as associate director of agencies, advanced to director of agencies the following year and in 1949 was named to his present post. He is a graduate of Harvard University.

Elected as new directors were Stanton G. Hale, Mutual Life; Charles H. Heyl, Bankers Life of Nebraska; Steele C. Mackenzie, Dominion Life, and Frank Vesser, General American Life.

Two days of well attended committee meetings preceded the first general session Tuesday morning that featured two forum discussions, one on "How Advertising Pays Off for Us", with D. Bobb Slattery, Penn Mutual, as chairman, and the other on "What's Hot in Washington", in which Robert L. Hogg, executive vice-president and general counsel of American Life Convention, and Eugene M. Thore, general counsel of Life Insurance Assn., gave

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Improve Grooming of Life Supervisors, Zimmerman Says

Bring Insurance Within Reach of Middle Incomes, LIAMA at Chicago Told

Using as a discussion pattern a letter that could well have been written to a seeker into the opportunities in life insurance, Charles J. Zimmerman, managing director of LIAMA, told his organization's annual rally at Chicago this week that there is a need for improvement in the supervisory realm of the business.



Charles J. Zimmerman

This goal must be accomplished on two fronts, Mr. Zimmerman said. A good criterion of management must be adopted to raise the level of supervision, and to meet this standard, selection, training, supervision and compensation of managers must be sharpened and elevated. Secondly, Mr. Zimmerman said, sub-standard management must not be winked at. "We must no longer tolerate outright poor management or no management at all. The establishment of post-selection standards for managers are, however, of no avail at all unless we simultaneously and systematically set about establishing a procedure whereby we can begin to develop a pool of managerial material," he declared.

Mr. Zimmerman's mythical letter was frank to the point of asking at the end, "Does this sound too far-fetched?" To the inquiring job-seeker he had written, "Our agency (on which the query was based) is not one of the best. In the past five years our manager has put 23 men under contract, of whom only two are still active . . . but at this writing, we do not have any likely looking candidates available, nor do the prospects in the near future look promising . . . we're just a little discouraged about the . . . setup. We have had a considerable turnover of managers . . . and we are not at all sure that if we replace the present incumbent we can improve upon the situation."

The speaker indicated the vital role the manager plays by quoting from LIAMA studies which showed that success or failure of a new sales recruit can be predicted with fair accuracy on the basis on which the manager hired and will supervise him. "Some managers can and do give a new recruit three times as good an expectancy as others," he said.

This introduces questions which arise in the mind of the recruit and which the home office must answer if the new salesman is to continue to entertain his initial enthusiasm. Why isn't selection, training and supervision of managers on a par with that for agents? The new man is bound to ask. Why are managers urged to recruit ahead of needs for his agents, while at the same time this is not done at the home office in the case of the managers themselves? Why isn't the inevitable "erosion" of managers given the same priority as "erosion" of agents, which the company protects itself against by constant recruiting and adding to its sales force? Why are rigid post-selection standards for agents coupled with apathy toward training managers who, in failing, fail the men under them? Why aren't financing plans for the new managers on a level with the very serviceable plans for new agents? Finally, he said, "Why is it that our home officers hope to attract permanent agency department personnel when they pay, on the average, considerably less to such men than these men can make in the field?"

The letter-writer received this suggestion from Mr. Zimmerman: "In my opinion, your choice of company is not so important as your choice of agency. There are many good companies, but more important than company is the agency with which one becomes affiliated. It is here that the man will get his training and his supervision. It is here that he will find either a success atmosphere which makes it easier for him to succeed or an atmosphere which makes it more difficult for him to succeed."

For this reason the neophyte must consider these elements, Mr. Zimmerman said: "Who will be his trainer and supervisor and will he be the type of person he will respond to, will

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Franklin Life Hits Fortune

Franklin Life and President Chas. E. Becker were featured in the "In the News" department of the November issue of *Fortune* magazine because of the company's recent purchase of the million dollar UNIVAC electronic calculator manufactured by Remington Rand. The article said it was the first sale of UNIVAC to private industry.

LIAMA CHICAGO FEATURE

4 Executives Tell How Their Companies Are Tackling the Problem of Recruiting

A "fear psychosis" with respect to agent turnover has resulted, in part, in a "lousy job of recruiting because of fear of criticism" and in part, in the conviction that attracting new agents is "a hell of a tough job" and that the only solution is to get along with as few men as possible, Charles H. Heyl, agency vice-president of Bankers Life of Nebraska, declared at a "New Manpower" panel, others being Charles Schaaff, vice-president of Massachusetts Mutual; Clarence B. Metzger, 2nd vice-president of Equitable Society; and Harold I. Weir, assistant general manager and superintendent of agencies of London Life of Canada.

"I think we have become extremists on the subject of 'agent turnover,'" Mr. Heyl declared. His own views on the matter, as expressed to his colleagues of Bankers Life, is: "I don't give a darn about turnover—just be sure you have somebody to turn."

Responsibility for individual field leadership is placed by his company on its general agents and managers, and "we support them with the most realistic basis of compensation reward for doing so, that we can devise," Mr. Heyl said.

What type of man can best be persuaded to enter the business? The man, Mr. Heyl said, who recognizes an "opportunity to improve his lot in life" because this "is probably one of the most satisfying experiences any man can have." As proof of this theory, he said, "the stable, and permanent and successful life insurance agents for Bankers Life of Nebraska are almost without exception men whose initial financing requirements were modest, even by today's high cost-of-living standards, regardless of who provided the funds."

But why only this kind of man? How about the new agent who has arrived at a comfortable standard of living before entering the business? Mr. Heyl looked at it this way: "I have heard general agents in our own company insist that they would not have anybody in their office who did not have to earn at least \$500 a month. I understand the reasons which prompt that assertion, but I just can't agree with the conclusion. It is, so far as our own experience is concerned, practically a foregone conclusion that financing costs in any such case will run well above \$5,000, and I must admit that our record in trying to make successful life insurance agents out of men in that category is a very dismal one indeed."

Mr. Schaaff reported how Massachusetts Mutual cleaned house in May of 1951, instructing its general agents to terminate the contracts of all agents who, in the opinion of the general agents, had not or could not make a living in the business. "During the 30 days following the mailing of this questionnaire our general agents terminated 102 full-time contracts, or about 10%," he reported.

This action followed realization by the company that recruiting of new men had been spasmodic and "it was evident that we were retaining too many marginal producers as full-time men."

What were the results of this move? Mr. Schaaff reported it thus: "A summation of the individual agency objectives gave us a five-year goal of 1,250 full-time men by June 1, 1956. This meant a net gain of 82 per year, which doesn't seem like a very heavy quota for a company with 90 agencies, but it is interesting to note that if we had averaged a net gain of 82 men per year during the preceding 10 years, our present full-time strength would be more than double the present figure."

One of the main points in manpower development, he said, is close supervision until the agent is really established in the business, and "you may say a man is never finally established, but I say, if you can't get him to that point within three years you will end up with ulcers—and you know the trouble with ulcers is even if you get them, you aren't necessary successful."

In January, 1940, Mr. Metzger reported, Equitable Society abandoned agency production requirements in terms of dollar volume, or premiums and number of cases, and established first-year commission earnings for individual salesmen, unit and agency production. "To my knowledge," he said, "we are one of the very few companies of the 600 odd who follow this practice today."

Equitable sets the new agent's sales objectives at the time he is hired, Mr. Metzger said. The unit manager establishes his "success formula" and is the key figure in most of these early stages, the speaker said. He is also brought in on deliberations on company training material, and this, together with his close association with the recruits, allows him to play a vital role in their development.

Equitable, Mr. Metzger emphasized, makes a point of directing certain training techniques toward individual agents, depending on their educational backgrounds and the kind of markets they are being groomed to serve.

"We place no men under contract on a part-time basis. We are not interested in hiring men who are with or have been with other companies. Ninety-seven per cent of our sales force have had no life insurance experience other than London Life." This, said Mr. Weir, is his company's basic principle regarding new men. "Three-quarters of our recruits in the industrial branch are located or recommended by debit agents," he added.

• Jackson Life of Little Rock and Stuyvesant Life of Allentown, Pa. have been licensed to enter Louisiana.

Early 1954 Dividend Action as Announced by Companies

Company	Funds Left with Company		
	Current Policies	Old Policies	Accum. Divs.
Aetna Life	Same as '53	Same as '53	2.75
Baltimore Life	"	"	2.5
Bankers Mutual	"	"	2.5
Bankers Union	"	Same as '53	2.5
Boston National	"	"	2.5
Citizens National	Increase	Increase	2
College Life	Same as '53	Same as '53	3
Columbus Mutual	"	"	3
Connecticut Mutual	"	"	3.25
Continental American	Increase	"	3
Country Life	Same as '53	Same as '53	2.5
Empire State	"	"	2.5
Fidelity Life	"	"	2.5
Fidelity L. & D.	"	"	3
Girard Life	"	"	2.5
Golden State Mutual	"	Same as '53	2.5
Independent, Md.	"	"	3
Lafayette Life	"	"	2.5
Lincoln Mutual	"	"	2.5

(a) 4% on Interest Income option (b) All policies have been issued at current rates.

Company	Funds Left with Company		
	Current Policies	Old Policies	Accum. Divs.
Macabees	Same as '53	Same as '53	3
Manufacturers Life	"	"	3
Massachusetts Mutual	8 1/2% Inc.	"	3
Midwestern United	Same as '53	"	3
Modern Woodmen	"	"	2.5
Monarch, Canada	"	"	3
Mutual Life, Can.	7% Inc.	Approx. 7% Inc.	3.5
Mutual Savings, Mo.	Same as '53	Same as '53	2.5
National Guardian	23% Inc.	Approx. 19% Inc.	3.25
National Travelers	Same as '53	"	2.5
New England Mutual	Increase	"	3
Northern, Canada	Same as '53	Same as '53	3.5
Pacific National	"	"	3
Presbyterian Ministers	"	"	3.5(a)
Republic National	"	"	2.5
Woodmen Central	"	"	2.5



Dignitaries at the Chicago LIAMA convention: seated, H. P. Anderson, Life of Virginia; Charles J. Zimmerman, LIAMA managing director; Frank Maher, John Hancock; standing, William P. Lynch, Prudential, and James G. Bruce, Colonial Life.

LIAMA Company Relations Staff Tells How Insurers Solve Vexatious Problems

A broad range of insurance problems was covered at the "Let's Talk Shop" panel Tuesday during the LIAMA Chicago convention. With Lewis W. S. Chapman, director of company relations for LIAMA, as moderator, reports on the more current topical interests were made by these company relations staff members: Donald Bramley, William O. Cummings, Stuart C. Ferris, Richard N. Ford, Burkett W. Huey, Brice F. McEuen, Frederic M. Peirce, C. K. Reid, II, S. G. Shackelford, Stanford Y. Smith and William H. Whorf. Mr. Chapman posed questions, with the several panelists following through with what they have found to be current thinking.

Considering debit consolidation, Mr. Bramley said that while it might appear to be the opposite of expansion still it doesn't seem to be a backward movement. An LIAMA study in one combination company shows that as debit size increases, agent turnover tends to decrease, weekly premium and ordinary production tend to increase, and weekly premium lapse ratio tends to go down. This, and similar evidence in individual companies, he said, has given impetus to the debit consolidation idea.

Mr. Cummings, weighing the merits of organized sales talks, pictured them as a great assist for the average agent. Getting many agents to use them, however, presents a problem. He offered the use of recorded sales talks and presentations as one especially effective method. One company, after building and field testing a talk in the usual manner, with a visual aid to match, had it recorded, thereby enabling a trainee to follow the presentation closely, even to reading the talk aloud in unison with the recording.

Mr. Ferris told what one company did to control its volume of hospital insurance. This company decided there were five approaches to the problem: Increased premiums, setting up of arbitrary acceptance ratios, reduction of commissions, reduction of credits toward production awards and creating the right philosophy. Though ultimately the company utilized only the final three it was the last that got particular attention through training and super-

vision and by selling the fact that time indemnity is basic coverage while hospital is supplemental. While the company admitted reduced commissions were a major factor in controlling the volume, the emphasis in training and supervision in "creating the right mental attitude" helped overcome the agents' opposition to lower commissions and actually resulted in a better trained and more fervent sales organization.

Mr. Ford reviewed company efforts in making it easier for the public to buy life insurance, referring particularly to plans used to make it easier and less costly to pay premiums monthly. He described one plan under which monthly checks are authorized by the policyholder but written by the company.

A successful plan used by one company to help agents remove financing deficits was explained by Mr. Huey. While not absorbing the balance, the company takes a middle ground by paying the agent his full commissions, including deferreds, renewals, bonuses. The agent is asked to contribute 2% of his monthly commissions to liquidate the balance, and is given several other ways to pay off the amount more quickly. He is allowed certain credits for helping to recruit new agents, for successfully completing a home office school, maintaining production equal to the monthly average during the previous six months for the first six months after financing stops, and holding the same average during the next six months. Through the various incentives, the company is prepared to write off up to 95% of an agent's debit balance, but it never gives him the idea he has a free ride. Of the 51 men who started on this plan, 49 are still with the company.

How one agency officer made use of the Handbook of Production Data which gives the yearly ordinary production of 3,600 agencies of 96 companies in the U. S. and Canada, featured Mr. McEuen's talk. The officer drew up a set of matching figures for his own agencies, comparing them by production according to length of existence and by cities. Agency managers,

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Gov't Examining Glass Put on New Insurance Area

Thore Tells LIAMA Health Legislation May Be in Offing

The beginning of a new type of government inquiry affecting insurers which portends a federal legislative program in the health insurance field was evaluated by Eugene M. Thore, general counsel of Life Insurance Assn., in his address at the LIAMA convention in Chicago this week.

Instead of questioning on economic and financial activities to which the industry has become accustomed, Mr. Thore said Congressional examination recently has been focused on the services being provided by insurers in the health field. Hearings

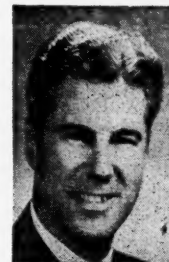
already have been held on the subject, at which life insurance representatives made presentations, before the house committee on interstate and foreign commerce.

This committee, known as the Wolverton committee, is conducting hearings to determine the progress made in controlling major diseases and then is to hold other hearings to find out how people can provide protection against their economic impact.

"It became apparent," Mr. Thore observed, "that the committee's staff was interested in making a detailed analysis of the terms of private health insurance policies and the practices of private insurers."

In mid-October, less than 60 days after being informed of the investigation, "the insurance business was involved in an extensive inquiry in the field of health insurance," the speaker

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Eugene M. Thore



WELL INFORMED . . .

. . . a well rounded education, with emphasis on college training, is a most important criterion in selecting new agents for a Cal-Western career.



. . . the Cal-Western Agent is a **CREDIT** to his profession

. . . and yours!

CALIFORNIA-WESTERN STATES LIFE INSURANCE COMPANY
HOME OFFICE: SACRAMENTO

LIAMA Panel Describes Five Successful Programs

CONSUMER ADVERTISING HELPS RECRUIT AGENTS, BOOST SALES

How consumer advertising returned big dividends for five large life companies, both in sales and in recruiting agents, was told by five members of a public information forum at the Chicago convention this week of LIAMA. D. Bobb Slattery, vice-president and superintendent of agencies of Penn Mutual Life, was chairman.

"There's Nothing Like a Fact" was the subject of Margaret Divver's report on her company's "first experience in using newspapers in a big way."

The advertising manager of John Hancock described it as an experimental campaign in 10 major cities with the objective "not to obtain direct leads for our agents, but to startle people into a realization of the inade-

quacy of their life insurance holdings." The appeal stemmed from a recent Institute of Life Insurance study revealing that two-thirds of U. S. families with life insurance own less than the equivalent of one and one-half year's family income.

To help agents tie into the campaign, Miss Divver said the company's advertising department "set up an advance mailing procedure for agents, which consisted of post cards containing the headline of the advertisement and the illustration with the legend, 'Watch for this in your newspaper,' with the date." Agents mailed these cards, as well as reduced ad imprints, to lists, then followed them up.

Agency sales results, according to Miss Divver, were "almost in direct

proportion to the amount of effort put behind the advertising through sales meetings and individual efforts."

On over-all results, the total directly traceable business in the eight out of ten agencies reporting at the campaign close, exclusive of weekly and monthly premium, amounted to \$1,683,700. Space costs were \$39,518. She said much business, not directly traceable, also resulted and that "future business is in the mill as a consequence of the original calls made in connection with the campaign."

Commenting on one agent's report that a friend with another company had closed a reluctant prospect "because of the impression made by John Hancock's advertising," Miss Divver said her company has learned that "this is true of all good life insurance advertising... it helps every agent of every company."

"We built everything around the agent," Karl Ljung said in his report on Jefferson Standard's "Mr. 4%" advertising campaign which ran in the company's home state of North Carolina for 10 weeks in 1952.

As a result, he said, agents were enthusiastic about the campaign which also appealed to the public because "it told our policyholders and potential policyholders about substantially increased benefits—over and above guaranteed benefits called for in the policy."

Mr. Ljung, who is vice-president in charge of agency operations, outlined the background of the campaign, stating that Jefferson Standard "has for many years earned a high rate of interest on invested assets."

He said the company passes benefits along to policyholders and currently pays 4% interest on both dividends and policy proceeds. To capitalize on this unique situation, Mr. Ljung said "we decided to build our advertising campaign around a character or rather a caricature called 'Mr. 4%'."

The campaign used three media at the statewide level—newspaper advertising, television, and outdoor—in a campaign, "designed to call favorable attention to Jefferson Standard and to afford the insurance public a clearer understanding of the real value of our 4% interest." Mr. Ljung said other promotional activities were at the local level, the most important being direct mail.

The company prepared a special kit to equip its Mr. 4% "with a wide assortment of advertising material and sales aids." As a result of this and other widespread promotional effort at the local level, Mr. Ljung reported that "the Mr. 4% idea seems to have caught the fancy of our agents—so much so in fact that we still feature Mr. 4% in much of our advertising and sales material." He mentioned

(CONTINUED ON PAGE 27)

LIAMA RALLY

Rutherford Tells How Prudential Builds Its Leaders

Poor, ineffective leadership may be more responsible for failures among agents than errors in recruiting and training, James E. Rutherford, vice-president of Prudential, told the LIAMA annual rally at Chicago this week.

In a talk presented in a novel way—a dialogue between himself and his alter-ego in which the latter graded Mr. Rutherford on a point basis for each question he was asked—Prudential's executive declared that this possible flaw in leadership is being met by his company through agent training on the district level, making improved training for the district management team a "must."

Prudential's leadership programs for district managers and staff managers, Mr. Rutherford said, are charged with the crucial responsibility of lessening the "appalling wastage of human resources represented by high turnover and failure of too many agents to approach, even remotely, their individual potential of performance."

He opined that "changing times require vastly improved methods of selection for the future" and that "considerable work needs to be done on measures of managerial performance of... factors (of managerial ability) at time of selection."

Mr. Rutherford's home office endeavors to keep flowing to the field a steady stream of sales ideas, and these, coupled with careful planning, form the basis for what the company hopes will create "excited, enthusiastic leadership."

The closest possible contact between agents and managers is a necessity, Mr. Rutherford said, and his company hopes through its regional home offices to achieve this aim, and at the same time, "retain such advantages as come from size... The establishment of regional home offices puts agency officers closer physically to our field people with the result that they are better able to build those bigger concepts of the man, the job, and the opportunity."

Agency management also takes in the subject of meetings, and on this Mr. Rutherford had this to say: "If the meeting doesn't have a purpose it shouldn't be held. If it can't be made interesting to those in attendance, it does more harm than good."

Subcommittees of Assn. of the Bar of New York City for the coming year include life insurance, James J. Beha, and group, pensions and annuities, Denis B. Maduro.

PRAISE THE LORD AND PASS THE AMMUNITION!



A Navy Chaplain, aboard the Cruiser New Orleans, uttered the above, oft-repeated, famous statement. It could well be the plea of every life insurance representative. Pan-American Life Insurance Company offers the following "ammunition":

- Fine training
- Excellent sales aids
- Highly competitive merchandise
- Career contract for career men

IN ADDITION—

Unexcelled Home Office Underwriting and Service

Pan-American's liberal compensation plan includes:
NON-CONTRIBUTORY

1. Hospitalization
2. Group Insurance up to \$6000

3. Pension Plan
4. Disability Benefits

For further information, Address
CHARLES J. MESMAN
Superintendent of Agencies

CRAWFORD H. ELLIS
President

EDWARD G. SIMMONS
Executive Vice-President

KENNETH D. HAMER
Vice-President & Agency Director



OCTOBER WAS A BANNER MONTH

OCTOBER WAS A BANNER MONTH

OCTOBER WAS A BANNER MONTH



OCTOBER 2

On this day, thanks to the ability, zeal and enthusiasm of our field associates, the Company reached \$250 million of insurance in force.

OCTOBER 6

Twenty-six years ago today Bankers National Life commenced business. Our first quarter century has included a major depression, a major war, and period of extraordinary inflation. Through it all the Company has prospered.

BANKERS NATIONAL LIFE INSURANCE COMPANY, Montclair, New Jersey

BANKERS NATIONAL LIFE INSURANCE COMPANY, Montclair, New Jersey

R. L. Hogg Evaluates Change in Washington Picture for LIAMA

Robert L. Hogg, executive vice-president and general counsel of American



Robert L. Hogg

Life convention, in his talk before the annual meeting of LIAMA this week at Chicago sized up changes in the Washington "atmosphere" that have come about during the past year as a result of the change in administration.

In domestic matters, Mr. Hogg said the new administration has proceeded on a basis of appraisal, study and projection, shying away from sudden changes. It can be expected within the next few months, however, that these subjects will be examined more critically for the charting of future legislation, he added.

Mr. Hogg referred to three specific happenings of direct interest to the life insurance business. He said a more determined position against cheap money policy was promptly taken by the new administration, much was done in the area of social security, aside from dramatizing its importance, by treatment at a cabinet level, and the company income tax act that is referred to as a stop-gap formula was extended to include 1953 business.

At the federal level, Mr. Hogg said "We are apt to think in terms of a few big things rather than the multitudinous small things. Yet the best inter-

ests of our business require just as careful attention to, and probably more time, for these small items than to some one item big in size." For example, he said, during the past few months, ALC, LIA and NALU intensified their efforts to obtain amendments to the internal revenue code which, among other things, would revise the "present illogical method of taxing annuity income."

Referring to the regulations issued by the defense department governing life sales on military bases, Mr. Hogg said this former problem can now be regarded as solved, with only minor facets arising in the future. The policy adopted is felt to have been a constructive approach to the problem, even though the suggestion of insurers that soliciting agents and companies be required to have licenses in the state in which the military post was located was not incorporated into the regulations.

After the success of the program has been established, the speaker predicted that there will be some liberalization of the requirements, probably in the form of limiting the application of the detailed regulation to soliciting as it relates to enlisted men of the lower three grades.

Mr. Hogg also mentioned the senate judiciary committee study of mail order insurance, terming it quite comprehensive in that it covers all branches of the business. The investigating committee, he said, has been in touch with the various insurance commissioners, and information from those sources indicates that more than 300 companies of all kinds are selling insurance by mail in states where they are not authorized to do business.

"We are not alarmed about the matter," Mr. Hogg said. "Senator Langer (committee chairman) at the (CONTINUED ON PAGE 25)



Enjoying a lighter moment at the annual sessions of LIAMA at Chicago: Clifford L. Morse, Phoenix Mutual Life; Eber M. Spence, American United Life; Frank L. Whitbeck, Jr., Union Life of Little Rock; Homer C. Chaney, New England Mutual, and H. G. Kenagy, who is now assistant to the president of Dickinson College and formerly was with Mutual Benefit Life.

ANICO representatives are Anico's best advertisements

L. E. BALDWIN

Manager,

Salt Lake Ord. Agency

Layton Baldwin is an outstanding example of Anico career building. Mr. Baldwin became an agent for the Company April 15, 1939, with previous insurance experience. Success in following training brought early sales success and promotion to supervise a unit of the Salt Lake City Agency. Success in recruiting and training brought further promotion to management of the Agency on January 1, 1944, when an opening occurred. Since that date the Salt Lake Agency has consistently been in top production positions and was accorded the honor of being selected "Most Outstanding Agency" in one year. Layton E. Baldwin is a star example of the Anico Career program.



- ★ A working contract that permits outstanding earnings.
- ★ Policies that stand out in value against any competition.
- ★ A management philosophy that is based on the axiom that a company succeeds only when its agency force succeeds.
- ★ The most modern and effective selling aid program that can be devised.

For information without obligation address "Executive Vice-President"

Over 2 1/2 billions of life insurance in force

AMERICAN NATIONAL Insurance Company

W. L. MOODY, JR., PRESIDENT

GALVESTON, TEXAS

PROTECTED HOME CIRCLE SHARON, PA.

FOUNDED IN 1886

A Legal Reserve Fraternal Insurance Society

JOSEPH SPENCER, President

L. D. LININGER, Secretary

SHARON, PA.

OCTOBER WAS A BANNER MONTH

OCTOBER WAS A BANNER MONTH

OCTOBER WAS A BANNER MONTH

OCTOBER 14

In Chicago the Company's founder-president, Ralph R. Lounsbury, was installed as president of the American Life Convention for 1953-1954.

OCTOBER 30

A look at the past twelve months—the first year of our second quarter century—shows life business booming, an average new policy size of \$6,554, and new Accident, Health and Hospital premiums up 45% over last year.



BANKERS NATIONAL LIFE INSURANCE COMPANY, Montclair, New Jersey

BANKERS NATIONAL LIFE INSURANCE COMPANY, Montclair, New Jersey

Among the participants in the L.I.A.M.A. advertising panel at Chicago were Morgan S. Crockett, Excelsior Life; Karl Ljung, Jefferson Standard, and Frederick Keifner, Provident Mutual.



Lafayette Life Names Six General Agents

Lafayette Life, which was licensed in Virginia last summer, and has also entered Wyoming, has appointed six new general agents.

General Agent Jerry Lawrence of Hampton, Va., was formerly with Shenandoah Life for two years and with Protective Life from 1949 until being appointed by Lafayette Life. Truman S. Fleming and C. Philip Machen were appointed general agents

at Norfolk in October. Both men were formerly with Standard Life of Indiana.

In Wyoming, Lawrence E. Sherwood has been appointed general agent at Casper. Formerly of Lincoln, Neb., he was with John Hancock.

William Brill of Cincinnati, who was with Manhattan Life, was appointed general agent there for Lafayette. Stephen E. Prout, formerly with United Benefit Life and in the insurance field over 20 years, was made general agent in Zanesville, O.

Maher, Morse Tell LIAMA Importance of Quality Business

The whys and wherefores of acquiring quality business were outlined by Frank B. Maher, vice-president of John Hancock, and Clifford L. Morse, secretary and director of agencies of Phoenix Mutual Life, at the Wednesday session of the LIAMA annual meeting in Chicago.

"I want to throw down a challenge before all of us as agency officers to implement in a practical way that intellectual acceptance which the sales leaders of the life insurance industry give generally to quality business," Mr. Maher declared. "The need for quality business is fixed firmly in our minds but are we quality conscious to the point that it is an integral, intimate part of our operation, translated into effective action at every point along the way? Have we pursued quality business, for instance, with the same resourcefulness and acumen displayed in leading the sales organizations of the life insurance business year after year to greater and greater heights in the production of new business? If we haven't been doing that, the time is now—for therein lies the 'big pay-off'."

Mr. Maher expressed the belief that quality business is not a specialized function of an agency department or something to be done by the quality business committee. "It is the life blood of the life insurance business and, therefore, the very essence of our work," Mr. Maher said. "In other industries articles are made to sell and then made again, profit being largely in turnover. We sell our product to keep it in force. The benefits which accrue to all in interest arise out of the volume of business in force, not simply out of the volume of sales. Building quality business is nothing other than building a life insurance business."

In discussing the importance of quality business, Mr. Maher pointed out that a company's and the industry's public relations are affected by persistent business. "People who maintain their policies in force are satisfied with life insurance as an institution, while those who do not maintain them in force are likely to be critical of the business and of those with whom they have come in contact in it," Mr. Maher also commented on the effect of the lapse rate on dividends; the ef-

fects of persistency on net cost; the fact that persistency and growth means sound, healthy, company growth which redounds to the credit of the agency officer; and the effect of persistency on manpower and the production effort.

Mr. Morse, telling of methods used to promote quality business, said, "Several months back the LIAMA quality business committee, working with staff members of the association, selected 36 member companies who were known to be active in dealing with the problem of persistency. An inquiry was sent out in which each company was asked to describe how it attempts to promote better persistency. The response was gratifying and we are greatly indebted for their cooperation. As a result, we have gathered together in one booklet the selected persistency control methods being used successfully in these 36 companies." How Improve Persistency? as this booklet is entitled, contains specific procedures.

"One section," Mr. Morse said, "has to do with methods of rating new business. More comprehensive information regarding commission contracts and their use to promote quality business is covered in the section on agents' compensation. Approximately one-fourth of the contributing companies pay a persistency bonus for quality business, while three do it in reverse by applying a penalty for poor persistency."

"Among the most important institutional promotions that influence quality business is, of course, the National Quality Award," Mr. Morse said. "The National Quality certificate has become a highly regarded award that is recognized by the public. It is also strongly desired recognition among the agents. Over 10,000 qualified for it this year, and, properly promoted by your company, it can help to raise your over-all persistency many, many points."

Mr. Morse emphasized, "This job of agency management is one that calls for sound principles and right practices, for deeds as well as words. We hope that you personally will accept the responsibility of follow through to make sure that job is done."

"Your real pay-off," Mr. Morse said, "will come as a result of your actions in doing the things that reduce lapse. The big pay-off will come through improved relations with the policyowner public, lower expense ratios and a faster rate of net growth."

Mr. Morse announced the completion of the booklet NQA Promotion by the quality business committee.

RECORDS

of field-tested sales talks are materially assisting Company representatives to gain the know-how of conducting successful sales interviews. Recently introduced as an integral part of the Company's Retirement Income and Mortgage Insurance Kits, these sales training records are helping to break production records, too.

EQUITABLE LIFE INSURANCE COMPANY OF IOWA

FOUNDED IN 1867 IN DES MOINES KEVED FOR CARRER LIFE UNDERWRITERS



Shown at the Chicago annual meeting of LIAMA: Sayre MacLeod, Prudential; J. A. McAllister, Sun Life of Canada; S. Rains Wallace, LIAMA director of research, and Arwood Henderson, Aetna Life.

Napoleon Hill, author of "Think and Grow Rich", says:

**"HERE IS MY GREATEST BOOK-
ESPECIALLY SUITED TO THE
LIFE INSURANCE PROFESSION"**

Do YOU want to sell more life insurance?

An officer of a large insurance company wrote:

July 23, 1953

"This letter is to let you know how much inspiration and mental stimulation I have already received from Dr. Hill's book, 'How to Raise Your Own Salary.' The title seems to me to be an understatement, because in reality it is a concrete and practical philosophy for living.

"The information and thoughts contained in this book constitute an ideal answer to those who would seek to undermine 'Americanism' with their falsehoods and economic theories which history has proved to be impractical and morally wrong.

"I went to church last Sunday for the first time in many years and believe it or not, the minister preached a sermon on mental attitudes. I am going to continue with persistence to train my mind to eliminate negative thoughts and substitute positive thoughts.

"Common sense has convinced me that any impulse of thought can be transmuted into its physical equivalent by a burning desire and persistent faith in Infinite Intelligence."

P. A. T.

Read and study "How to RAISE Your Own SALARY"



W. CLEMENT STONE

President of the Combined Group
Insurance Companies

"I've given away several thousands of Napoleon Hill's books and have seen them inspire salesmen to achieve phenomenal sales records and improve themselves as individuals."



LEE BRAXTON

Bank President and
Mayor of Whiteville, N. C.

"I give Napoleon Hill's books full credit for the fact that I am mayor of Whiteville, president of a bank, president of the Chamber of Commerce and director of a number of businesses."



EDWARD CHOATE

Life Member of the
Million Dollar Round Table

"Since reading 'Think and Grow Rich' I have written at least \$10,000,000 of business, \$1,500,000 in a single month and have written as much as \$2,500,000 in one year."



EARL NIGHTINGALE

Well-known Radio and
Television Personality

"I was able to double my income in one week, and a short time later, to prove the philosophy was responsible, doubled it again."

Obtain your copy of "How to RAISE Your Own SALARY"
today at any book-store for \$3.95, or write directly to...

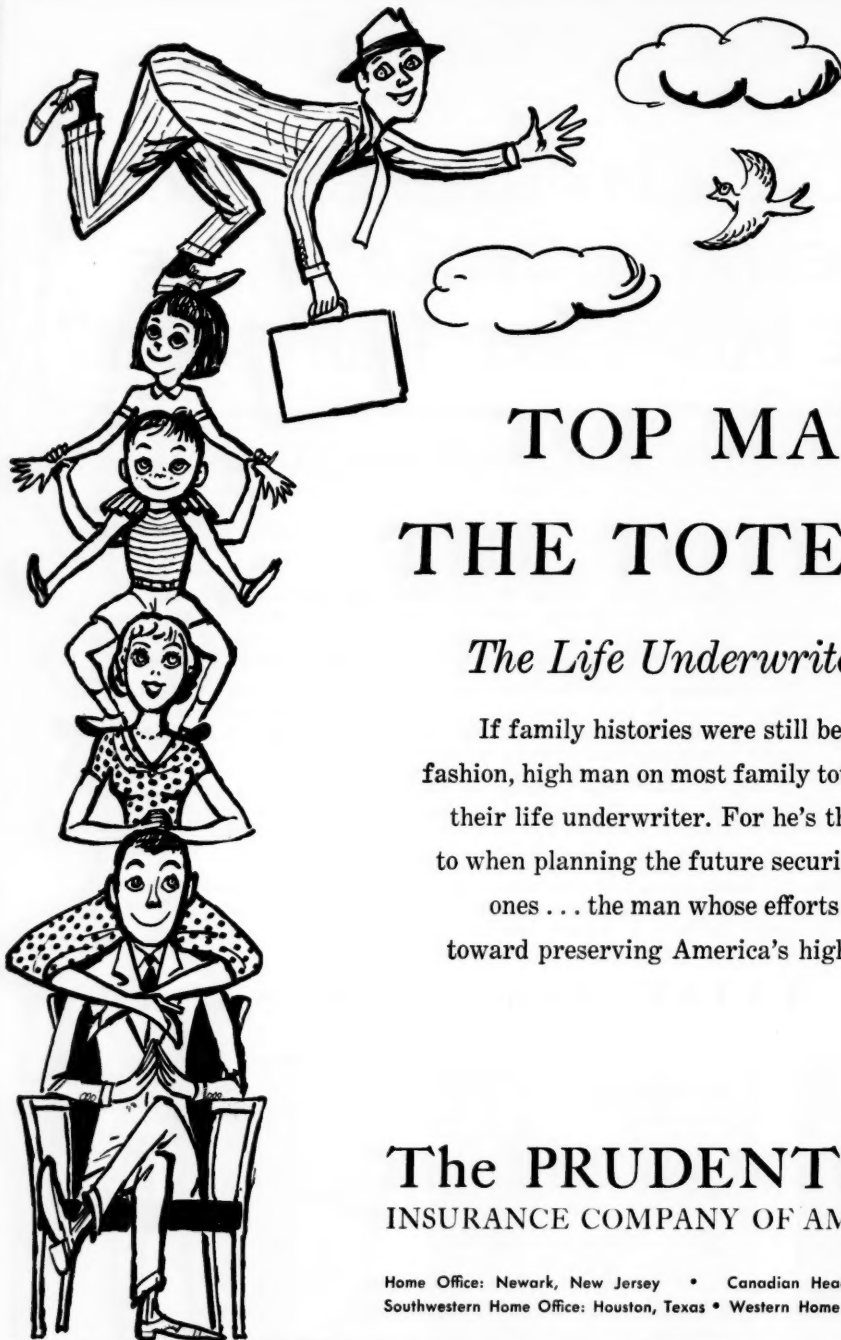
Special prices on quantities of 5 or more



NAPOLEON HILL ASSOCIATES

A DIVISION OF W. CLEMENT STONE ENTERPRISES
5316 SHERIDAN ROAD • CHICAGO 40, ILLINOIS

"Whatever the mind can CONCEIVE and BELIEVE the mind can ACHIEVE"



TOP MAN ON THE TOTEM POLE

The Life Underwriter of America

If family histories were still being recorded in this fashion, high man on most family totem poles would be their life underwriter. For he's the man most fathers turn to when planning the future security of their loved ones . . . the man whose efforts have contributed much toward preserving America's high standard of living.

The PRUDENTIAL INSURANCE COMPANY OF AMERICA

Home Office: Newark, New Jersey • Canadian Head Office: Toronto, Ontario
Southwestern Home Office: Houston, Texas • Western Home Office: Los Angeles, Calif.



MORE MONEY, LESS PRESSURE ... WITH WESTERN LIFE!

If you can manage your own time and show good results, you can move ahead faster with Western. There's a world of opportunity (and the money that goes with it) for men who can qualify. Some openings for General or Associate General Agents—your manager's recommendation will help.



R. B. RICHARDSON, Pres.
LEE CANNON, Agency V.P.

Assets over \$53,000,000 • Insurance in Force over \$238,000,000

N.Y. Department Set to Crack Down on All Comminglers

NEW YORK—The New York department is all set to crack down on the next hapless agent who is caught putting money received from his policyholders into his bank account, no matter how religiously straight he keeps his books to reflect such transactions or how quickly he draws his checks to his home office covering these deposits.

There's been no new warning and none is expected. Agents were apprised of the prohibition against commingling months ago and that is supposed to be sufficient notice. Nevertheless, there seems to be considerable misunderstanding of what the law means and who is affected. For one thing, a good many life agents apparently have the impression that the law applies only to brokers. But it applies to the agent who sells only life just as much as to the broker writing all lines from A.&H. to ocean marine.

Not everyone appreciates how strictly the law applies. For example, an agent having his headquarters in an upstate town some distance from the general agency with which he is connected gets a cash premium of \$75 from a policyholder. The sensible course would appear to be to deposit it in his bank account and draw a check to the company for the proper amount. Yet if he does this he is violating the law against commingling. Commingling is punishable by fine or imprisonment.

Consequently it is extremely important for all life agents licensed in New York state to understand that they are subject to the law against commingling and also to know enough about the law to be sure that they are doing nothing that could be regarded as a violation, even under the strictest interpretation.

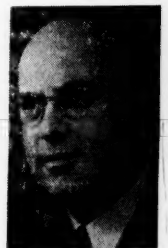
Connecticut Mutual Names Marshall, Gilbert V.P.s

Gladstone Marshall has been promoted to vice-president and actuary and Daton Gilbert to 2nd vice-president and actuary of Connecticut Mutual Life.

Mr. Marshall has been with the company since 1921, in 1929 becoming as-



Daton Gilbert



Gladstone Marshall

sistant actuary, advancing to associate actuary in 1942, actuary in 1950 and 2nd vice-president and actuary in 1951.

Mr. Gilbert started with Prudential in 1932. In 1936 he became a research associate for LIAMA, leaving that post in 1942 to become assistant actuary of Connecticut Mutual. In 1950 he became associate actuary and in 1951, actuary.

Both men are fellows of the Society of Actuaries. Mr. Gilbert is a member of its education and examination committee. Mr. Marshall is a charter member of Actuaries Club of Hartford, of which Mr. Gilbert is also a member.

Gilmore Strates Opponents of 213 Revision, Group Term Life Limits, at LIAMA Rally

President Robert C. Gilmore of National Assn. of Life Underwriters and



Robert C. Gilmore

agent at Bridgeport, Conn., for Mutual Benefit Life, in addressing the annual convention of LIAMA at Chicago this week, deplored what he called the "smattering of opposition" to NALU legislative efforts directed at revision of Sections 213 and 213-

a in the New York state code, and to implementation of the new group term life limits of \$40,000. He said the New York department and his association's compensation committee are handicapped in an effective study of future revisions because of lack of accurate and conclusive data on the earnings of full-time life agents and he issued a request to LIAMA companies to supply information which would give a sound picture of commissions earned by career agents of individual companies.

"There seems to be a school," he said, "that says—and I am thankful that its members are few in number!—that legislation affecting earnings or amounts of life insurance is unnecessary, unrealistic and unworkable. In effect, that we tend to confuse a principle with expediency. No confusion of principle exists as far as NALU is concerned, for we have long been dedicated on the one hand to the principle of effective state supervision and, on the other hand, to the demonstrated premise that unlimited ownership of group term life insurance is not in the public interest. With Section 213 and Section 213-a, any realistic individual recognizes that we are confronted with an antiquated, archaic and virtually unintelligible set of statutes which have long needed revision.

"When highly trained technical men after long study, are baffled by its various complexities, and when companies unwillingly find themselves in violation in spite of a desire to operate within its framework, it is obvious to even the jaundiced eye that intelligent revision is essential."

Earlier, he had said, "Since in Chicago, I find you agency officers... confused but sincere in your desires to extend to your field representatives, in the way of additional compensation, and services, everything they are entitled to under the revised Section 213."

Mr. Gilmore pointed to LIAMA's accomplishments in the selection and training of agents but indicated that more could be done along this line. He pledged the cooperation of NALU in a joint attempt to arrive at practical solutions to the problems.

An outstanding one, he said, was that of financing a new agent. "It is certainly difficult," he said, "for an average agent to repay even normal advances, which are now virtually double what such normals were a few short years ago, by payment from a deferred compensation which he is to receive under certain conditions. Very few men can claim their independence as contractors in the face of a steadily mounting debt. To produce greater permanence among agents, I would recommend renewed and intensified development of each agent's loyalty,

not alone to his own company, but to the industry he represents."

Speaking of one requirement here, that of the "emotional pitch", he said that "only close personal attention by management, attention not only to his own sales problems, but to him as an individual, can best serve this agent in his crucial first year."

And concerning field practices, "Sales tools have developed into sales tightropes which an unscrupulous producer can use for an adroit balancing act and which never serve the public interest. 'Expediency selling', arrived at through volume considerations alone, is against the best interests of our business and its clients."

He told his LIAMA audience, "We have so much in common and the potentialities of the good we can do for our field representatives, and through

them, for our policyholders, are so great that we can never afford to take divergent courses." He was referring to the theme of his talk, "Our Common Ground." He continued, "Your methods, research and results are the envy of sales management in every other sphere."

• The Nashville office of Business Men's Assurance has moved into a new building at 1805 Hayes street. Noah B. Moates is general agent.

To help do the job well

A pioneer in training agents for better service and salesmanship, Connecticut Mutual has been improving and refining its educational facilities for more than 30 years. Connecticut Mutual representatives may rightly be confident that, whatever the life insurance need, the training they have had or can have will enable them to do the job well.



1. Three formal study programs in CM's Educational Course. Part I, for new agents, includes nine volumes of basic study. Part II deals with programming and introduces business insurance. Part III covers taxes and business insurance and current problems in estate conservation and employee plans.



2. Career Schools for new representatives are held several times a year at the home office. They train in salesmanship, policyholder service, and coordination of Social Security and life insurance to assure comprehensive family financial security and retirement income.



3. Advanced Underwriting Forums are held regularly throughout the country to give CM representatives the latest developments in business insurance and estate and pension planning.



4. CM's Management Training Program includes seminars and conferences for general agents and supervisors. They cover agency management and the selection and training of agents.



5. CM representatives are encouraged to take the two-year course sponsored in many cities by the Life Underwriter Training Council to build their knowledge and skills. CM provides scholarships covering a substantial portion of the costs.



6. CM has fully supported the American College of Chartered Life Underwriters since its inception in 1927. Many CM agents are CLU's; many more are taking the preparatory courses.



OVER 100 YEARS

The Connecticut Mutual
LIFE INSURANCE COMPANY • Hartford

LIAMA Is Enlisting Companies to Do Independent Studies

LIAMA's research into company activities is shortly to be followed by independent research by companies, Dr. S. Rains Wallace, Jr., director of research of LIAMA, told the gathering of that group's executives at their annual convention at Chicago this week.

"We believe," Dr. Wallace said, "that we must now have company laboratories—companies with sufficient executive daring to let us experiment. And I am particularly delighted to tell you that we are finding them."



S. Rains Wallace, Jr.

Dr. Wallace spoke of an additional field of endeavor by LIAMA during the past year, that of agents themselves. The job satisfaction, morale and human relations which affect the agents were investigated, and results have prompted further study into production and survival, he reported.

Among the agent-connected subjects put under the LIAMA microscope were or will be: A study of one company's home office school for new agents; evaluation of the sales method index to weigh the effect of this increased supervision on production, survival, recruiting, etc.; a study of the effect of an organized selection process on the performance and turnover of combination agents in a new member company; the value of a follow-up by home office personnel of agents after they have attended a home office school; and face-to-face interviews with agents throughout the country to supplement figures from companies themselves.

• Charles E. Seay of Southwestern Life addressed Dallas C.L.U. chapter on "Life Insurance Company Stocks."

N.Y. Ready for Welfare Funds Investigation

Superintendent Bohlinger has appointed George Trosk special counsel to represent the New York department in its investigation into the activities of the welfare fund of local 32E of the building service employees union and of any other funds, persons, firms or corporations subject to the laws of the state relative to insurance transactions.

Trosk is general counsel and member of the Moreland act commission, and will use on this investigation 14 lawyers, examiners and investigators. The union was headed by T. E. Lewis, whose murder in August led to the uncovering of the harness racing mess.

Mr. Trosk's investigation is aimed not only at uncovering racketeering but all situations in which union members or employers may be subjected to unjustifiably high costs for insurance arranged through union welfare funds.

One of the questions to be taken up is whether the funds themselves are subject to insurance department jurisdiction or not. Some of them contend

that the department has no right to regulate them. If this contention should prove correct under the present law there will doubtless be a demand for legislation to give the department this power.

The department has taken on half a dozen extra examiners to start the preliminary investigating work. The probe was undertaken at the direction of Governor Dewey and promises to be extremely thorough. Following private inquiries, there will be public hearings.

Thomas Lewis, labor boss at the Yonkers Raceway, was part owner of the Alcor agency, which provided welfare insurance for 12 union locals. However, the Trosk investigation is empowered to look into the affairs of all union welfare funds and insurance matters connected with them.

Eisenhower Will Select Actuary for U. S. Board

President Eisenhower will personally select a member of Society of Actuaries to serve on the new federal board of actuaries and his compensation will be determined by the President. The board was created by the uniform services contingency option act, and its other presidential functions have been delegated by executive order to the Secretaries of Defense, Treasury, Commerce, and Health, Education and Welfare.

Among regulations authorized to be issued by these secretaries, subject to approval by the Defense secretary, are "uniform tables of actuarial equivalents and provision that term insurance values shall be computed by uniform methods prescribed by the board of actuaries."

Accounting & Statistical Assn. Topics Announced

Discussion topics have been arranged for the regional meeting of Insurance Accounting & Statistical Assn. to be held at Chicago Nov. 19. Speakers on subjects of interest to life and A&H men are Irving Wetzel, Allstate, "Electronics"; Robert Carlson, Bankers Life & Casualty, "Policy-writing Through Use of 403 Accounting Machine"; John Pensock, Washington National, "Tabulating Procedure on A&H Experience from Punch Cards on a Disbursement Basis"; Walter Johnson, Continental Assurance, "Obtaining Data for Annual Statement," and William Riddering, Federal Life, "General Life Accounting."

Lets Employees Buy Stock

Life & Casualty has set up a plan under which any of its employees may purchase shares of its capital stock on a periodic payment basis. Participating employees may make deposits of not less than \$5 per month with the plan's trustee and when sufficient funds have accumulated, Equitable Securities Corp. of Nashville will be instructed to purchase a share of Life & Casualty stock at the market price at that date and deliver it to the employee.

1 Millionth Confederation Policy

J. K. Macdonald, president of Confederation Life of Canada, personally delivered the company's one millionth policy to Harold M. Myers, dean of men at Drexel Institute in Philadelphia, as part of the special ceremony marking the opening of the new Confederation agency there. Alvah B. Adam and James P. Connor, Jr., are the new managers.

UNDER
ONE
ROOF

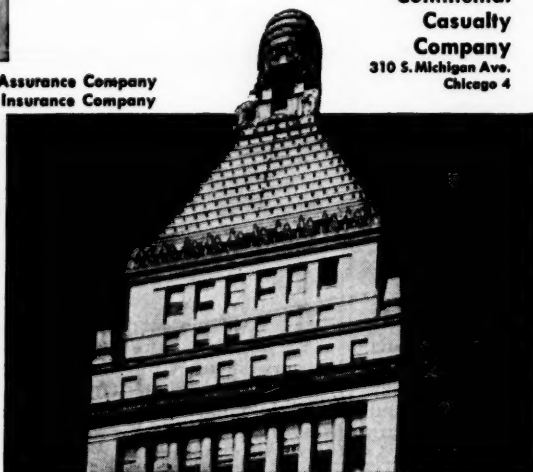
A limited range of coverages limits your ability to serve your clients as completely as they demand. Only with a complete line of Life and A&H protection can you give maximum service.

Continental Casualty offers the most complete line of accident-health & hospitalization coverages available anywhere... under one roof.

That's why more and more life insurance men are turning to Continental for the full range of A&H coverages that makes their service to clients complete. New opportunities await you, too, in our "Department Store of A&H's". Write or phone today for our full story.

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Accident... World-Wide
Unusual
and Extraordinary
Special Risks
A&H Income
Protection...
Even for Life

United States
Life Insurance Company

Conference Takes Four-Cornered Look at Underwriting at Chicago Parley

The talk on "Field Man's View on Underwriting" that was given by John G. Galloway, Provident L. & A., Birmingham, chairman of International Assn. of A.&H. Underwriters, before the underwriting forum of H. & A. Underwriters Conference at Chicago last week, was received with especial attention and it provoked a good deal of comment.

To the uninitiated agent, the home office underwriter seems to be a mysterious possessor of vast information about people and what is going to happen to them in the future, he said. They offer the coldest "no" the home office has to give. An agent can ask the agency department for more commission, and Mr. Galloway said they get such a pleasant and convincing "no" that they feel ashamed the question was ever brought up. When the claim department is asked about paying a claim, the agent is shown where too much has been paid already; but when an underwriter is asked to put a special policy through the answer is just plain "no."

Another way the agents get hurt with a no, he added, is after a claim is paid and perhaps a claimant writes a letter of praise and then the home office sends out a note asking the agent to take up the policy and put a waiver on it. All the enthusiasm is killed.

Perhaps the agent sees a small franchise case and sends the applications in. The home office writes to get more information on one of the applicants and it turns out to be the employer. Here is a man too busy to see the doctor, so the agent goes to the doctor for information and is told: "Why don't you pay for an examination and I'll give you all the information you want."

"Exasperation and frustration knows no end," Mr. Galloway declared. He said he had his climax one day when he asked the usual health questions of a man whose only visit to the doctor was once a year for a checkup. That was written down. The home office wanted a statement from the doctor on the findings at the last checkup.

General agents have more difficulty justifying home office underwriters to agents and brokers than any other part of the home office setup, he said, and he went on with some suggestions for improving the situation.

Mr. Galloway recommended that underwriters sit in at agency meetings and get together with the agents socially. The underwriter might even take field trips, going to the various agencies and talking over tough cases and teaching the philosophy of sound underwriting. He should show the agents and managers how a better job of underwriting can be done in the field and in the home office if the responsibility will be accepted. A. & H. is affected by economic conditions, geographic locations, unemployment and the tax structure. These things should not be left to the agency department but should be taught by the underwriter.

It is as important to teach an agent the theory of underwriting as it is to teach him to sell, he stated. Many agents don't know how to use waivers. Mr. Galloway said some waivers might be prepared in advance and the agent taught how to secure signature at the time of sale, and how to deliver a policy with a waiver and how to deliver a waiver only. Agents have to be taught to secure medical statements and when to secure them at the time

of application. The job of selling is not necessarily done when an application and a check are secured.

Whenever possible, Mr. Galloway recommended that home office underwriters be secured from persons having field experience. He said this is a practical and not a very difficult thing to do, because the home office

knows which agents are the best underwriters and give the least trouble. "A careful, consistently scrupulous underwriter should have an incentive to be promoted to the home office," he went on. "This is effected by making the home office job more glamorous and more lucrative." Home office underwriters are important people, and their positions should be given greater consideration.

The biggest headache from both the home office and field are the physically impaired risks, cases known person-

ally by the agent, such as a man who has one small heart attack and probably will never have a repetition. "I have heard many agents say home office underwriters are driving the country to socialized medicine," Mr. Galloway said, adding he doesn't believe it, but it is a difficult problem, and it is accentuated with the expansion of non-cancellable underwriting under which more people are rejected or waived than ever before.

Stanford Miller, assistant vice-pres-

(CONTINUED ON PAGE 20)





National Life's unique Juvenile Estate Builder Policy is selling fast!
It's a level premium contract which provides a modest amount of life insurance protection in the early years and automatically expands five times in face value at age 21 — without increase in premium. May be applied for ages 0-14 (5-14 in New York).

Look at these features!

Low Premium Rates — The Estate Builder provides a level premium payable to age 65 even though the face amount of insurance protection increases five-fold at age 21.

Provides Cash for Education Or Emergencies — National's Estate Builder Policy is designed to build rapidly a reserve large enough to permit a five-fold increase in insurance protection at age 21. Thus, when cash is needed for education or emergencies, a larger fund is available than if a similar plan of insurance with a level face amount had been purchased.

Protection of Insurability — Although value of insurance automatically increases five times at 21, no further evidence of insurability is required — regardless of health, occupation, war or aviation hazards.

Tax Advantage — Because of high estate taxes, there's a decided trend today towards making gifts to children and grandchildren through the Estate Builder Policy.

Teaches Thrift — The Estate Builder provides a practical lesson in thrift and makes it easier for parents and grandparents to instill the values of saving in young minds.

Cash Or Income At Retirement — Over the years The Estate Builder builds very substantial cash values which may be taken in cash or used to provide a life income at retirement. Emphasis on savings in the early years results in greater accumulation of retirement benefits.

The Estate Builder is one of the most appealing contracts ever offered. We urge you to learn more about it. If you are a full-time agent of another life company, we solicit only surplus and special business not acceptable to your company.



National Life of VERMONT
Insurance Company Montpelier

FOUNDED IN 1850 . . . A MUTUAL COMPANY . . . OWNED BY ITS POLICYHOLDERS

Accountants Pick Tribble at Kansas City Rally

Price Tribble, Universal Underwriters, was elected president of the Midwest Chapter of Insurance Accounting & Statistical Assn. at its annual fall meeting in Kansas City, attended by more than 170 persons. He succeeds J. C. Platt, Central Surety.

L. J. Hale, Kansas City Life, and Charles Fisk, Kansas City F. & M., were named vice-presidents, and Harvey Gaines, Business Men's Assurance, secretary.

The program included a discussion of business machines by the various equipment companies, talks by Miss Winifred Shaughnessy, United Benefit Life, and Martin Goland, Midwest Research Institute, as well as separate seminars for the various classes of insurers. Banquet speakers were Harvey Ross, Business Men's Assurance; Prof. Ingolf Otto, University of Kansas City, and A. H. Benson, Lumbermen's Mutual of Mansfield, national president of IASA.

Appearing on the panel for life and A&H men were Glen Ecklund, United

Benefit Life; Price Murphy, Equitable of Iowa; Harry Kenny, Kansas City Life; Donald James, Security Benefit Life; George B. Klein, Woodmen Accident; John Alden, Bankers Life of Nebraska; E. E. McCandless, United Benefit Life, and W. E. Sather, North American L. & C.

Mutual Benefit 'Duel' Brings in \$62 Million

The annual sales-motivating contest among the 72 agencies of Mutual Benefit Life resulted in \$62,895,560 in submitted business for October, which was almost \$13 million above the goal set for the month. Fifty agencies exceeded their goals, and of this group seven agencies doubled and one tripled the quotas. The contest, known as "The Duel," resulted in 23 agencies each submitting over a \$1 million for the month.

Paired off with one agency pitted against another of equal size, the agencies were divided into two groups. One group was headed by Vice-president Richard E. Pille and the other by Vice-president William F. Ward.

William T. Earls agency in Cincinnati led with \$3,610,337. The following agencies doubled their quota: W. O. Catterton, Houston; Truman Huffman, Jacksonville; Earl G. Robbins, Lexington; Herschell Emery, Nashville; Francis J. Conlin, Spokane; C. Carney Smith, Washington, and Ernest C. Kenagy, Wichita. The Robert R. Tebow agency, Birmingham, tripled its quota.

Education for Examiners

Harry Sesan of Associated Hospital Service of New York lectured Wednesday of this week before the examiners of the New York department on non-profit and hospitalization and medical indemnity insurance. This was one in a series of 30 lectures to be presented in the second year of the department's in-service training program. On Nov. 12, Charles A. Siegfried, actuary of Metropolitan Life, will speak on group insurance, retirement and employee benefit plans. Other outside speakers that are scheduled include Lambert A. Holloway, Metropolitan Life, on statistical machines; William S. Connell of North American Reassurance on life reinsurance, and John J. Finelli of Metropolitan Life on use of electronics.

N.E. Mutual Raises Warner

New England Mutual has appointed E. R. Warner group supervisor-operations. He will have charge, under the direction of William R. Christmas, group secretary, and Chalmers L. Weaver, assistant group secretary, of administrative handling of group "in force" cases.

An army veteran, Mr. Warner joined the group department of Massachusetts Mutual in 1947. After another tour of military service in 1951-52 he went with New England Mutual's group department.

New Security L.&A. Plan

Security Life & Accident is now issuing a "Security Home Protection Policy," which is a combination of \$1,500 of level whole life insurance with \$3,500 initial amount of 20 year decreasing term, which will decrease \$150 per year during the 2nd through the 11th year, and \$200 per year from the 12th through the 21st policy years for each unit purchased. Premiums remain level through the term of the contract.

Ponder Miss. Measures

The Mississippi legislative investigating committee held a two-day session at Jackson to consider measures for introduction in the session that convenes Jan. 5. This is headed by Rep. John Junkin of Adams county.

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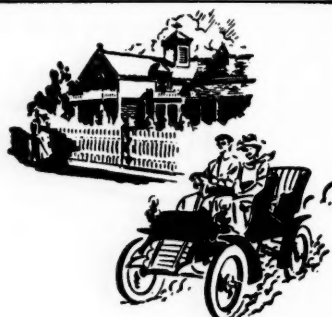
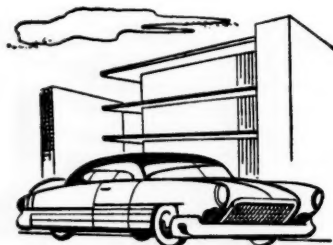
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E. P. Higgins

THE BOURSE

PHILADELPHIA

from November 17,
1903



to 1953

50 Years of Growth

from *WORLD ACCIDENT ASSOCIATION*
in a one-room office

to *WORLD INSURANCE COMPANY*

with General Agencies in 43 States

and still growing

A complete line of Life insurance. Accident —Sickness and Hospitalization, both regular and non-cancellable; including many special contracts. Unlimited possibilities. Are you interested in a General Agency with fully vested renewals? Write to A. B. Olson, Agency Vice President, in complete confidence.

In the insurance world...
...It's World Insurance



World

INSURANCE COMPANY

Home Office

Omaha, Nebraska

IHO Elects Peay as President at Chicago Convention

Institute of Home Office Underwriters advanced J. H. B. Peay, Jr., Life of Virginia, to president at its annual meeting at Chicago. He succeeds William H. Harrison, Security Mutual of New York.

Other new officers are James D. Renn, Peninsular Life, executive vice-president; C. Edwin Carlson, Continental Assurance, vice-president and editor; John F. Duston, Equitable of Iowa, secretary-treasurer, and Ray E. Button, Republic National Life, publicity director.

Newly named to the executive committee are Herman S. Lindy, Delta Life; T. Bertram Anderson, Jr., Connecticut General, and Charles A. Will, Guardian Life.

Continuing members are Mr. Harrison, James Q. Taylor, Northwestern National; William F. Morris, Life of Georgia, and Douglas M. Ibbott, Southwestern Life.

Speeches and other discussion were reported in last week's issue.

Wisconsin Warning Against Loans on First Premium

The district attorney's office at Madison has issued a warning to insurance agents against offering life insurance arrangements whereunder the customer is permitted to borrow virtually all of the first year premium.

Assistant District Attorney William Byrne said there had been complaints against an agent in the area who had tried to lend money, with which to pay the first premium, to what he said were "unwilling customers" in order to get a company award. This, the authorities state, constitutes an illegal inducement and there is a \$500 fine for wilful violation.

● Ray F. Buege, Union Mutual Life, Nov. 23 will discuss life insurance principles as part of a money management course being conducted at Oconomowoc, Wis.

Atlantic LIAMA Grads Elect M. R. Wallis President

M. Roos Wallis, Equitable Life of Iowa, Philadelphia, is the new president of the Atlantic Alumni Assn. of LIAMA. Mr. Wallis was elected at the recent conference in Rye, N. Y.

L. Kent Babcock, Jr., Aetna Life, Philadelphia, was elected vice-president, and Edwin H. May, Phoenix Mutual Life, Hartford, secretary-treasurer. John D. Marsh, Lincoln National, Washington, remains on the executive committee as immediate past president.

New members of the executive com-

mittee are John Evans, Home Life of New York, New York City; Edward Jahn, Connecticut Mutual, Newark; Anthony Klug, John Hancock, Rochester, N. Y., and Albert S. Rifkin, New York Life, Brooklyn.

Charles J. Zimmerman, managing director of LIAMA, pointed out that more than 6,000 men had been graduated from the 122 schools in agency management held since 1929. He said eight schools would be held next year, along with a special one-week school for assistant managers in ordinary agencies. The talks of other speakers were reported previously.



Heart Appeal and Sales Appeal

This Great-West Life poster with its simple but powerful message will

appear in 76 cities and towns throughout the United States and Canada

during 1953. The heart appeal of two smiling youngsters is a reminder

of the most compelling reason of all for buying life insurance—

love of family.

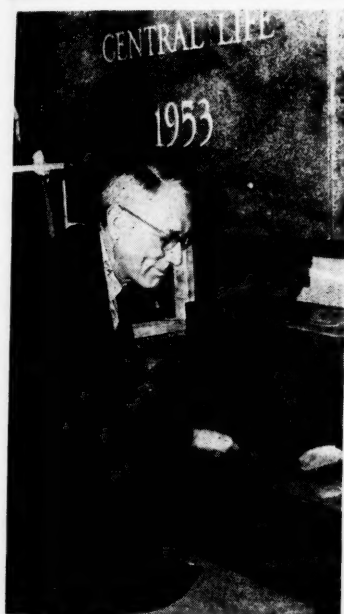
Thus, the sales efforts of Great-West Life representatives in 1953 are supported

on busy thoroughfares and at important corners by outdoor

advertising. Millions of people will see and note the message and

challenge of "You love them . . . protect them!"

THE
GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE—WINNIPEG, CANADA



President W. F. Poorman shown setting the cornerstone for the new home office of Central Life of Iowa. Guests of honor at the special ceremonies in Des Moines included winning agents and general agents in the company's Cornerstone sales campaign, agents who were attending the home office Cornerstone training school, members of the home office staff, their families and prominent state and local officials.

The time capsule placed in the cornerstone contained significant items representing life in the 20th century, several of an insurance nature, including a copy of The National Underwriter.

Participating, in addition to Mr. Poorman, were Gov. Beardsley and Commissioner Fischer of Iowa.

Theorize Republican to Replace Jordan

WASHINGTON—There is considerable speculation here as to whether Superintendent Jordan will be replaced by a Republican. Earl A. Wilson, 28-year veteran of New York Life, is an avowed candidate for the job. He has worked for the Republican party many years and was active at the Chicago national headquarters in the last presidential campaign. Jordan has held his present office since 1939, prior to

which he had been in the D. C. insurance department for two years.

Plan Miss. Sales Congress

Mississippi A&H Underwriters Assn. made plans at the November meeting to hold a state sales congress early next year, and a committee has been appointed to report on the program at the December meeting.

The Mississippi association has drawn most of its membership from Jackson and it is hoped the sales conference will encourage statewide participation.

Dr. Humphries Now Medical Director of Home, N. Y., Succeeding Dr. Woodford

Dr. James H. Humphries has been named medical director of Home Life of New York. He succeeds Dr. George E. Woodford, who has retired.

Dr. Humphries joined Home Life in 1933 as assistant medical director and in 1941 was advanced to associate medical director. He graduated from the medical school of Western Ontario, and interned in Detroit where for a number of years he was in private practice.

Dr. Woodford has been with the company 24 years. He was named medical director in 1933.

Bill Allowing Wis. Banks to Sell Insurance Advances

The Wisconsin senate has passed a bill permitting banks to sell life insurance and exempting banking officers from taking an agent's examination. The bill now goes to the assembly.

Under the bill, banks could sell insurance policies to protect loans where no security exists. Policies would be cancelled after the payment of the loan.

Sponsored by Senator Knowles, New Richmond lawyer who serves as a director of three banks, the bill had been turned down by a nine-man state insurance advisory board, according to Commissioner Lange. Mr. Lange said he had received several protests from agents concerning the bill, expressing fear it would get bankers into the life insurance business without taking the examination.

Oct. Penn Mutual's Biggest

Penn Mutual Life's paid-for business during October added up to the greatest production month in the company's history, the \$37,343,944 total exceeding by almost a million its largest month preceding the Korean situation, and representing a 23½% increase over October of last year.

Award CLUs at Detroit

Detroit CLU chapter held a conference dinner at which the nine new area CLUs received their designations from J. H. Kennedy, Equitable Society, chapter president. The dinner speaker was Grant L. Hill, vice-president and director of agencies of Northwestern Mutual Life.

Montgomery Is Promoted

Ohio State Life has appointed Boyd Montgomery agency assistant. Mr. Montgomery, with the company more than eight years, most recently was supervisor at Mansfield, O. He recently completed the advanced Purdue course. He is an air force veteran.

General Agents Hear Schergens

"Successful Production Through Third Dimensional Training" was the subject of a talk by W. J. Schergens, Aetna Life general agent at Shreveport, at a meeting of Dallas General Agents and Managers Club. Mr. Schergens is president of Shreveport Life Underwriters Assn.

Buys \$1 Million Pipe Line Bonds

Nevada Natural Gas Pipe Line Co. has placed with Mutual Life of New York, \$1,150,000 of 5% first mortgage bonds due in 1973, proceeds to be used to construct a new 114 mile pipe

line to begin in Topock, Ariz., pass through a section of California and end within five miles of the city limits of Las Vegas, Nevada.

McKenney Toledo Speaker

W. Gibbs McKenney, member of the Baltimore law firm of Lowe & McKenney, tax and probate attorneys, spoke at a dinner meeting of the Dayton, (O.) Life Insurance & Trust Council on "The Use of a Life Insurance Trust in Estate and Tax Planning."

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We have CASH buyers for:

A life company, located in the West, Mid-W or SW, with or without A & H and Hsp, having from \$50,000,000 to \$250,000,000 of life insurance in force.

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Fire or casualty, or fire and casualty companies. Large or small. Any location.

Large or small stock life company in SE having good agency set-up. No industrial.

A & H company in Ill., Wisc., Minn., Ind., or Mich.

Stock life company, located in Midwest, with 5 to 50 millions of business in force, with or without A & H.

Texas stock auto casualty company.

Industrial life company, any size, in Mid-W, S or SE. May have some A & H and Hsp.

Ours is the ONLY concern whose sole business is representing sellers and buyers of insurance companies.

We have the connections, the "know how" and the market, which cannot be reached by individual direct effort. We can handle the sale of your company in a quick, quiet, confidential manner.

Our buyers have the CASH and are ready to deal.

Why not get in touch with us about your company TODAY.

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INSURANCE ORGANIZATIONS

The Saturday Evening
POST



"Our Mutual Benefit Life Plan makes it certain
Our children will get a Good Education"

Bill McKee, Mutual Benefit Life agent, says: "I'm glad to see that our Mutual Benefit Life Plan is helping to make a difference in the lives of many families. It's a plan that's sure to pay off for your children's education." The illustration shows a family of four sitting together, smiling.

Mr. McKee's plan guarantees money for the things necessary for his family's well-being—money to take him years to do through savings and investments. Should something happen to him, it goes into effect immediately. If not, Mr. McKee will have a comfortable retirement income.

"We're enjoying today more," declares Mr. McKee. "Because we know the future is as safe as we can make it. It certainly is a comfortable feeling!"

If you're a family man in moderate circumstances, you too can work out a plan like Mr. McKee's. A Mutual Benefit Life plan that will secure your family's future and help you build a plan without the slightest obligation. For details, address Mutual Benefit Life, 300 Broadway, Newark, New Jersey.

S. O. S.

There's always been a question as to whether S. O. S. stands for "Save Our Ship" or "Save Our Souls." When those letters are applied to Bill McKee of Miami, though, there's no question at all. They stand for "Sure of Sales."

With no previous insurance experience, Bill has hit the big time with Mutual Benefit Life in just a few short years, and is featured, as you see above, in Mutual Benefit Life's current SATURDAY EVENING POST advertising. Unusual story? Not especially. Natural ability plus M. B. L. training can make anyone Sure of Sales!



THE
**MUTUAL
BENEFIT
LIFE**

INSURANCE COMPANY

Organized in 1845

300 Broadway, Newark, New Jersey

Bennett of Canada Bluepencils Area for Management

"The day of the part-time agent is past and there is no place today for part-time agents in our business." This conviction was expressed by John L. Bennett, president of Life Underwriters Assn. of Canada and agent at New Westminster, B. C., for Dominion Life, before the annual LIAMA convention at Chicago this week.

Mr. Bennett was speaking of the responsibility of the manager and the agency officer to the man in the field, and in this connection pointed to several areas in which he believed this responsibility should be more strongly exerted. Freeing the full-time agent of the millstone of the part-time man was one. "Your field man," he said, "is not concerned about competition from the full time, well-qualified career life underwriter but he is very much concerned about the man who is given a rate book on part-time basis, who gives poor advice and service to the public and who too often merely muddies the water for the good full-time man.

"It is surely apparent that the unqualified, unreliable part-time agent will do a lot of harm. I submit that the rate book should be taken away from him."

Other targets of the manager's responsibility, Mr. Bennett said, include "words of commendation when things go well and... words of encouragement and sympathetic understanding when all does not seem to be too well. The agent expects from you a constant guarding of his market, those markets which enabled the life underwriter of yesterday to lay the foundation of the life insurance business as we know

Johnson Addresses Dallas Insurance PR Seminar

Life insurance ownership has doubled in Texas since the war and has gained more, percentage-wise, in Texas than in the United States as a whole during that period. Holgar J. Johnson, president of Institute of Life Insurance, said at a Dallas luncheon for executive officers of life companies there, and for insurance public relations officials and other business leaders.

His talk climaxed a two-day life insurance public relations seminar. Participating were representatives of life companies based in Texas, Louisiana, Arkansas, Oklahoma, Missouri and Kansas.

Chapter Treats Insurance

There is a comprehensive chapter on life insurance in *A Woman's Guide to Financial Security*, a 177-page book just issued by M. Barrows & Co., New York City. The chapter includes a description of the various kinds of contracts available and suggestions for meeting problems such as correct procedure when the premium payments can't be made and for taking on life insurance purchases as part of a well-planned program. The authors are Joyce Clarke and Sally Dickson, a writing team that works with women's club service bureaus.

After serving two years with New York Life as district group supervisor for the Pacific northwest and Alaska, James R. Ashe has returned to the group and pension department of Marsh & McLennan at Seattle. Mr. Ashe had been with Marsh & McLennan for three years before joining New York Life in 1951.

it today."

He continued, "I would also suggest that the life companies do more to acquaint the field force with the purpose and functions of group insurance and endeavor to allay the fear which is so often generated when an underwriter approaches a prospect and finds that the main reason his prospect refuses to buy permanent insurance is because he is already carrying a quite justifiable amount of temporary group coverage."

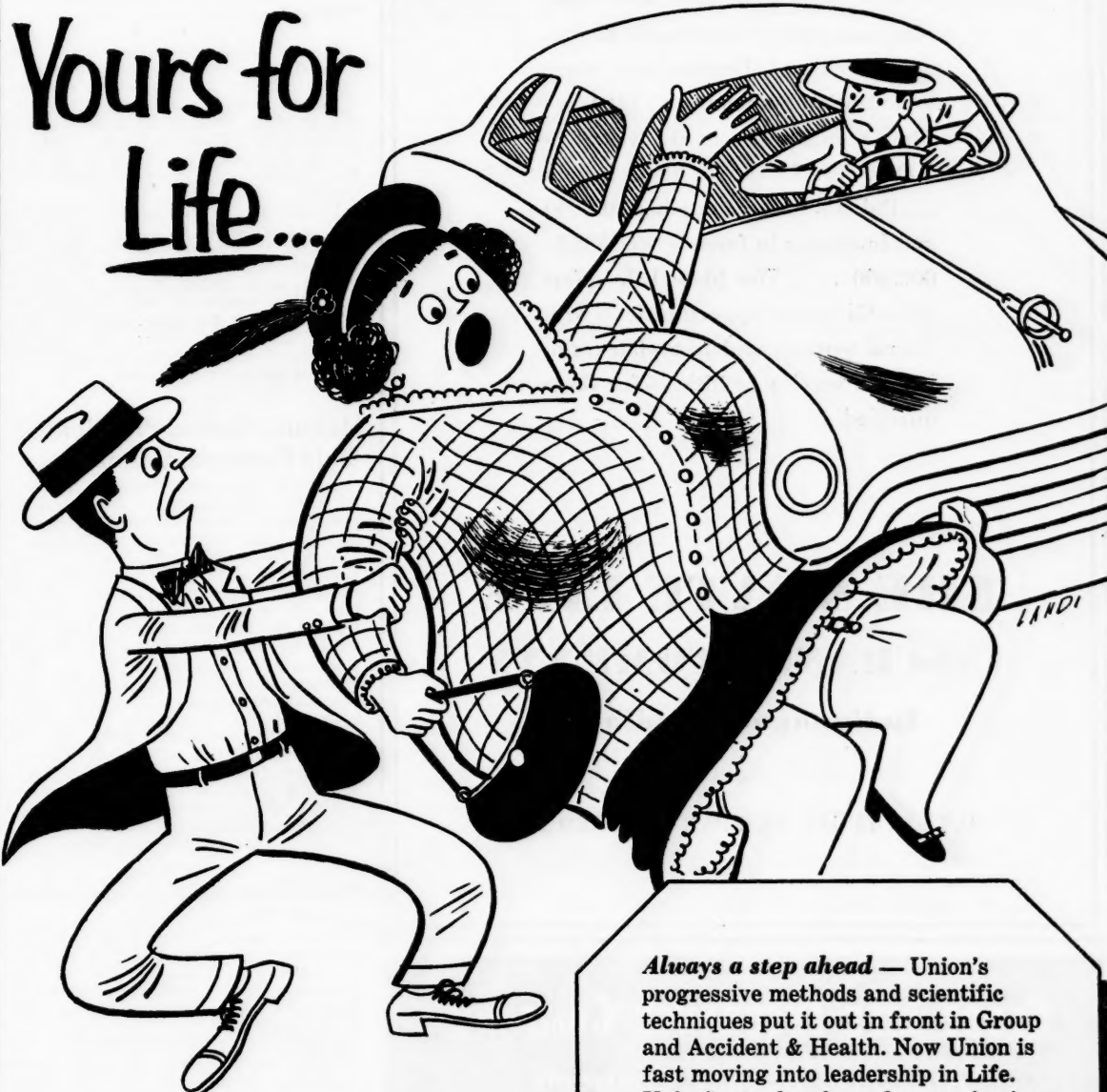
This observation followed a refer-

ence to group as "bewildering and frustrating to the career life underwriter... The increase in the limits of group insurance coverage extended away and beyond what was conceived to be the purpose of group insurance. Certainly we can agree present trends are not in accord with the original intention of this great development in the life insurance field."

Protection of the established man in the agency was another point Mr. Bennett referred to as requiring attention of the company. He is often forgotten

in the "mad scramble" to recruit new men, the speaker said, "and yet the established man is, or should, with his experience, be the backbone of an agency."

Too often this man's fate is neglect, Mr. Bennett observed. He withdraws from his associates and his production suffers. "I would suggest that serious consideration be given to ways and means of keeping the established man as a member of the team and widening his horizons by opening up new and broader fields."



and Casualty, too



Always a step ahead — Union's progressive methods and scientific techniques put it out in front in Group and Accident & Health. Now Union is fast moving into leadership in Life. Union's steady, planned expansion is constantly creating exceptional opportunities for insurance men. To find out why many top insurance men have already picked Union as theirs "for Life," contact any of Union's General Agents or write to —

ROY A. FOAN, Vice President and Director of Agencies



UNION CASUALTY AND LIFE INSURANCE COMPANY

17 East Prospect Avenue, Mount Vernon, New York

Sixtieth Year of Dependable Service

★ The State Life Insurance Company has paid \$186,000,000 to Policyowners and Beneficiaries since organization September 5, 1894 . . . The Company also holds over \$81,500,000 in Assets for their benefit . . . Policies in force number 103,000 and Insurance in force is over \$220,000,000 . . . The State Life offers splendid agency opportunities—with liberal contract, and up-to-date training and service facilities—for those qualified.

☆ ☆ ☆

THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

GLOBE LIFE INSURANCE COMPANY

Attractive Agency Contracts

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WILLIAM J. ALEXANDER, PRESIDENT



MONUMENTAL LIFE INSURANCE COMPANY

HOME OFFICE • CHARLES and CHASE STREETS

BALTIMORE

American Hospital & Life Makes Manager Changes

American Hospital & Life has made several changes in its Texas managerial setup following the death of James Edgecomb.

Densel Dean, formerly district manager at Amarillo, succeeds Mr. Edgecomb at Dallas. Robert E. Casperson, who has been manager at Lubbock, becomes district manager for west Texas with headquarters at Amarillo. The district includes Amarillo and Lubbock. Thomas V. Dean, formerly branch manager at Amarillo, succeeds Densel Dean as Amarillo district manager.

B. A. Laudermilk has been appointed manager for the company's central Texas district, which consists of Waco and Austin, with offices at Austin. Foy Eugene Lillard becomes manager at Wichita Falls; Elsa B. Nance manager at Abilene; and Jack W. Garrow associate manager at Dallas.

Densel Dean entered the business with American H. & L., was appointed manager at Amarillo in 1943 and district manager there in 1949. Mr. Casperson also began in life insurance with this company. Mr. Laudermilk, who began as an agent for the company at Austin, later was named Shreveport manager and subsequently became manager at Austin.

Habuda Named President of Ohio Fraternal Congress

Joseph Habuda, Polish National Alliance, Youngstown, was elected president of Ohio Fraternal Congress at its annual convention at Toledo.

Mrs. Gertrude Holtz, Royal Neighbors, Cleveland, was named 1st vice-president; Harold Sponholtz, Woodmen of the World, 2nd vice-president; Roland D. Hough, Gleaner Life, Toledo, secretary; Mrs. R. D. Hough, Gleaner Life, assistant secretary; Mrs. Frances Mizenko, First Catholic Slovak Ladies Union, Cleveland, treasurer; Rollin A. Curl, Maccabees, Crooksville, chaplain; Mrs. Frances Tesny, Association of Polish Women, mistress-at-arms, and John Tylicki, Alliance of Poles, Cleveland, sentinel.

Four new societies were admitted to the congress during the meeting, bringing total membership to 59.

Pike, Petersen Are Speakers

Albert Pike, Jr., actuary for Life Insurance Assn., and Ray M. Peterson, vice-president and associate actuary of Equitable Society, will be the speakers at a meeting of American Pension Conference Nov. 19 at New York City.

Among the subjects to be discussed are taxation of annuities and pensions, including the present 3% rule, LIA's proposed revisions thereof, estate taxation of survivorship options, and the Jenkins-Keogh bill relating to pensions for the self-employed.

Aetna Life Dividends Same

Dividends paid by Aetna Life in 1954 will be continued at the present scale, the rate of interest to continue at 2 3/4%. The non-participating rate of interest to be paid on funds will also be 2 3/4% except where a higher rate is guaranteed.

Issues New Rate Book

Trans-American Life of Fort Worth has introduced a new rate book and policy forms on the CSO 3% commissioners reserve valuation basis.

New England Mutual had \$351 million of new life insurance placed in force this year through Oct. 31, representing a 9% gain over last year's 10-month total. Paid-for new business during October amounted to \$33.8 million, up \$2.1 million.

MEN of VIRGINIA

Pioneer



Leader of the Lewis and Clark Expedition to the Pacific when only 30, Lewis gave to the young nation invaluable information of its great new empire to the West. Later he served as governor of the vast Louisiana Territory.

Imagination and ability to pioneer are keys to the expansion of a nation and business enterprise alike.

Among the first major companies to offer accident and sickness, hospitalization, group and pension plans, the Life of Virginia has become a 1 1/2 billion dollar company through sound pioneering.

THE LIFE INSURANCE COMPANY of VIRGINIA



HOME OFFICE - Richmond, Va.



SECURITY AND SERVICE

Boston Mutual is constantly reviewing policyholder programs to make sure they meet with changing family needs.

CHANGES

Fergus Made General Agent in Tex. for Gen'l American

General American Life has appointed Theron Fergus general agent at Abilene, Tex., succeeding the Behrens & Behrens agency. Victor E. Behrens will continue with General American in personal production.

Mr. Fergus returns to the company after an absence of eight years, during which he managed the West Texas agency of Great Southern Life, with headquarters in Abilene. Before joining Great Southern, Mr. Fergus was with the Behrens & Behrens agency. He is a past president of Abilene Life Underwriters Assn.

Lincoln National Names D'Orlando General Agent

Michael A. D'Orlando has been appointed general agent in Providence, R. I., for Lincoln National Life to succeed Paul Hoefler, who has resigned to devote full time to personal production. The D'Orlando agency will continue to represent the company throughout Rhode Island and in four Mass. counties.

Mr. D'Orlando joined the company in 1947 as a special representative in Boston. He was in military service for three years and is a business administration graduate of Northeastern University.

Shaw to Head Prudential's Ill. Ind. Ordinary Agencies

Howard E. Shaw has been promoted to regional manager with Prudential's new Mid-America home office now being organized at Chicago. For the present Mr. Shaw will work at Newark, supervising ordinary agencies in Illinois and Indiana. When organization of the new regional home office is further advanced he will move to Chicago.

Joining Prudential in 1946, Mr. Shaw was with the Des Moines agency for several years, first as an agent and then as an assistant manager. In 1951 he went to the home office as a field training consultant. Earlier this year he was promoted to senior training consultant. He is a veteran.

Makes Group Assignments

Upon completion of a comprehensive four-month training period at the home office, State Mutual Life assigned six group representatives to field offices.

Stanwood G. Ladd goes to Detroit, Philip W. Leighton to Pittsburgh, William G. Meharg to New York City, Willard H. Payson to Cleveland, John J. Walker to Houston, and Harry J. Warms to Chicago.

Edward F. Naramore, Jr., is being transferred from Detroit to New York City.

Marx is Great-West Manager

Great-West Life has appointed George R. Marx district manager at

Eugene, Ore. Mr. Marx will continue to assist G. D. Elonka, Portland manager.

Bankers, Iowa, Sales Unit

Bankers of Iowa has established a Des Moines sales unit under supervision of the agency department with Joseph B. Ryan, assistant manager at Des Moines, as unit manager.

The Des Moines agency, W. K. Nieman, manager, will continue as usual. The new unit will permit the home office to work more closely with recruiting, sales training and sales procedures.

Mr. Ryan joined the company as an agent at Des Moines, subsequently was made district agent, and became supervisor in 1939 and assistant manager in 1943.

● Harry I. Losin has been appointed assistant to General Agent B. William Steinberg of Massachusetts Mutual at Jamaica, N. Y. He will primarily assist in the further expansion of the property planning and advanced underwriting services that the agency offers brokers. An army air corps veteran, he joined the agency when it opened in September, 1952. He had previous sales experience outside life insurance.

Gaisford Now Penn Mutual Salt Lake City Gen'l Agent

Penn Mutual Life has appointed Harold R. Gaisford general agent at Salt Lake City succeeding Todd W. Bechtol, recently transferred to Wichita.



H. R. Gaisford

Mr. Gaisford joined Penn Mutual's Curry agency at San Francisco in 1951. He later was made district manager of the agency's Oakland office. He is an army veteran.

Succeeding Mr. Gaisford at Oakland is August J. Marra, who has been a Penn Mutual agent at San Francisco for nearly two years. Mr. Marra before entering insurance was an assistant coach at the University of California where he was a football star.

Jansen to Mankato, Minn.

Marvin C. Jansen, formerly in charge of Prudential's office at Cu-

dahy, Wis., has been named head of the Mankato, Minn., office, succeeding Lester C. Coyer who has retired after 29 years with the company. Mr. Coyer was manager at Mankato for 22 years.

With Prudential since 1929, Mr. Jansen was an agent at Racine until 1950 when he was placed in charge at Manitowoc, going from there to Cudahy last year. His new territory includes Albert Lea, Austin, Faribault and Rochester, Minn.

● Clifford F. Daley has joined the Medill A. & H. agency at New York City as associate general agent. Mr. Daley, in life insurance since 1946 and at one time with Equitable Society, will be in charge of the agency's life department.

● Great-West Life has appointed Byron L. Taggart, formerly assistant group supervisor at Philadelphia, to group supervisor at St. Louis, and Henry Van Baak to group representative at Detroit.

National Security Names Yost V.P.

C. C. Yost has been elected vice-president of National Security Life & Casualty of Dallas. He formerly was with Reserve Life and Girardian.

OUR AGENTS' RETIREMENT PLAN

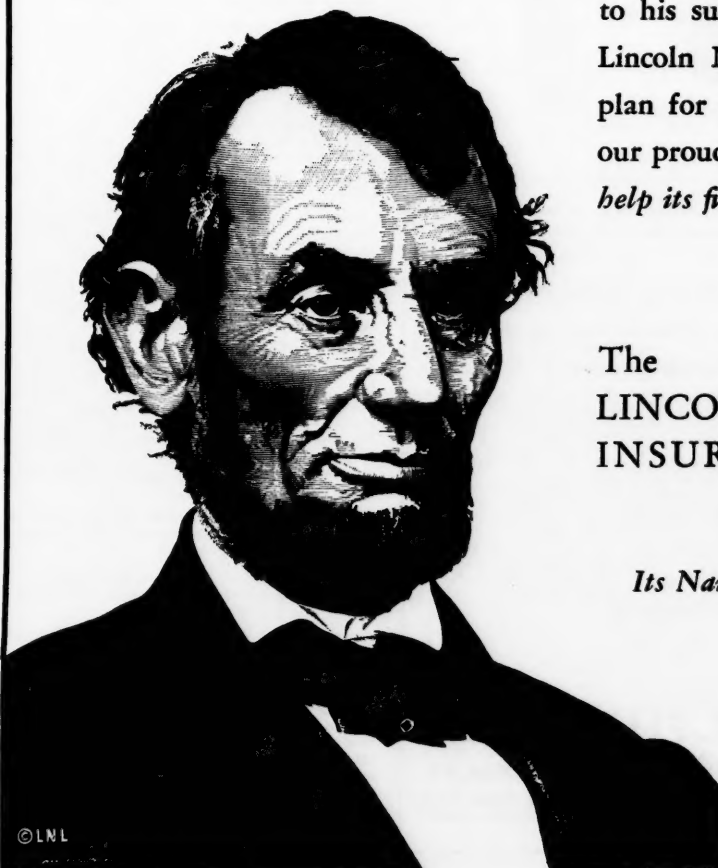
The qualified LNL agent benefits liberally under his company's retirement plan. He is rewarded according to his length of service and insurance in force. And, after 65, he may continue to write business and receive commissions in addition

to his substantial retirement benefits. Lincoln National's liberal retirement plan for agents is another reason for our proud claim that *LNL is geared to help its field men.*

The
LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Fort Wayne, Indiana

Its Name Indicates Its Character



©LNL

60 YEARS OF SERVICE To The Life Insurance Business

1893
to
1953



H. R. KENDALL

In honor of our Co-Chairman of the Board who is celebrating 60 years of service to the insurance business, all departments of the Company are dedicating two months of effort to honor Mr. Kendall on his Diamond Jubilee Anniversary.

Washington National
INSURANCE COMPANY
EVANSTON, ILLINOIS

LIFE • ACCIDENT • HEALTH • GROUP
HOSPITAL-SURGICAL • POLIO • FRANCHISE

"ALL OVER the country life insurance managers and agents are watching with keen interest the program of this Company for putting much greater earnings into your pockets as a means of increasing sales."

So reads the first paragraph of a reprint of a talk delivered to the General Agents of the Philadelphia Life by President William Elliott. This enlightening talk will no doubt prove of interest to you. Why not write today for a free copy of this booklet.



Doorway to
Protection

PHILADELPHIA LIFE
INSURANCE COMPANY • PHILADELPHIA, PA.

William Elliott
President

Joseph E. Boettner, C.L.U.
Agency Vice President



ASSOCIATIONS

Gravengaard to Address Three Midwest Associations

H. P. Gravengaard, vice-president of the National Underwriter Co. and editor of the *Diamond Life Bulletins*, will address the Denver Life Underwriters Assn. Nov. 16, the Omaha association Nov. 18, and the Des Moines association Nov. 20.

Mr. Gravengaard is author of the Gravengaard business insurance texts and visual selling brochures, of which more than 400,000 have been sold. He is also the author of many other books, articles, and selling aids. His latest, "What's In Your Policy?" has proved extremely popular.

Washington Assn. Holds Ten Junior Sales Meets

Washington State Life Underwriters Assn. during October provided junior sales congresses for 10 local associations. Planning of the congress was handled by Bernard J. Lenoue, Seattle manager for Business Men's Assurance. Speaking at each meeting was the president of the state association, Lamont R. Johnson, Spokane general agent for Minnesota Mutual. Also, motion pictures were shown, including "The Bettger Story" and "Always Be Closing". Other speakers talked on programming, package selling, salesmanship, and business insurance.

The purpose of the fast-moving series of meetings was to bring the sales idea to the underwriters in the smaller associations. It is reported that the membership of the various local organizations was stimulated and that at most of the sessions the attendance was in excess of the membership.

Wausau, Wis.—Recent trends in group insurance coverage were discussed by E. F. Randolph, Madison, Wis., supervisor for Washington National at a meeting of the Wisconsin Valley association. William E. Payne, advertising manager of the Wausau Record-Herald, spoke on the institutional advertising campaign of Institute of Life Insurance.

Milwaukee—Glenn B. Elliott, sales manager of the Gaylord Container Corp., talked on "Selling Is Fun." A one day sales school will be sponsored Nov. 16, featuring Ralph G. Englesman, New York City sales consultant, on "Making Sales—Now—Today!"

Marshall, Tex.—Price Littlejohn of the Littlejohn & Son agency addressed the Oil Belt association on the correlation of life and property insurance. Agents attended from Longview, Kilgore, Henderson and Troup.

Dayton, O.—Karl H. Schmidt, National Life of Vermont, Akron, spoke on "The Life Underwriter as an Executive."

Pittsburgh—The Fayette county branch heard A. Edward D'Emilio, manager here for Ohio State Life, speak on "Scheduling Yourself to Success". Thomas W. Henry, assistant manager here for New York Life, is addressing the Beaver Valley branch on "Avoid Bad Luck". Topic chosen by Joseph A. LaSalla, Bankers Life of Nebraska, Beaver Valley, for presentation before the Washington branch will be "Life Insurance—The Only Way". Addressing the New Castle branch on "All It Is—Inspiration, Information, Determination" will be George G. Robinson, staff manager here for Prudential.

Binghamton, N. Y.—Twenty have enrolled for the first section of the two-year LUTC course, and 32 for the last phase.

St. Louis—Ralph G. Englesman, life insurance sales consultant, is speaking on "Making Sales—Now—Today" Nov. 13.

Indianapolis—Robert C. Gilmore, Mutual Benefit Life, Bridgeport, Conn., president of the National association, is speaking.

Chicago—The association's cashiers division Nov. 18 will hear a talk on counterfeit money by an FBI agent and the group supervisors unit Nov. 16 will hear Sander W. Wirpel, Inland Steel Co., talk on "Pension and Insurance Trends in Basic Industries."

Coral Gables, Fla.—Coral Gables Life Underwriters Assn. has been formed with the following officers: W. Harold Cheek, Life of Georgia, president; Cotton Tew, Franklin Life, and George Pullias, Prudential, vice-presi-

dents; John C. Paul, Prudential, secretary; D. A. Matthews, Life of Georgia, treasurer; and Wilbur Brewer, Franklin Life, National committeeman. These state association officers attended the inaugural meeting: Winston Wynne, general agent at Miami for Connecticut General, president; Arthur E. Bound, Palm Beach, vice-president; and Arthur Shugg, secretary-treasurer.

Nashville—An employer-employee cooperative life insurance plan was outlined by R. C. Crowell, Jr., editor of *Insurance Field*.

Niagara Falls, N. Y.—Robert C. Gilmore, Mutual Benefit Life, Bridgeport, Conn., president of NALU, will speak at a dinner meeting Nov. 20.



Cheaper by the dozen.

One sure thing, a Columbian National Life

FAMILY EXPENSE HOSPITAL POLICY

is the most economical protection you can sell a family man. Moreover, you can meet family members' specific protection problems with

Family Hospital Expense Policy
Columbian Accident Expense Policy
Individual Hospital Expense Policy
Individual Sickness Expense Hospital Policy
Preferred Risk Disability Policy
Columbian Disability Policy
Columbian Selective Accident Policy

**The COLUMBIAN NATIONAL
LIFE INSURANCE
Company**

BOSTON 12, MASSACHUSETTS

NALU Trustees Like New New York Assn. Proposal

(CONTINUED FROM PAGE 1)

arently assured when the N.A.L.U. board meets in March, the way appears to be clear for the New York state association to implement its plan at its next regular meeting, to be held in May. Another change in the constitution and by-laws will be necessary to change the company-member plan that is already on the books. It is not planned to do this until after the N.A.L.U. board has acted officially next March.

In the meantime, the plan under which the New York companies would contribute to the state association's finances without a formal plan and on a temporary basis appears to be proceeding without any hitches, although there has not yet been any payment of money into the state association treasury.

Another matter of national interest taken up at the meeting here was the adoption of a resolution setting forth the reasons why N.A.L.U. headquarters should stay within the New York metropolitan area. This would include nearby New Jersey and Connecticut—roughly the New York City commuting area. The resolution embodied a cordial invitation to N.A.L.U. to remain within that area.

The resolution pointed out that the location of the national headquarters "is important most of all in connection with the discharge of the duties of the staff members in the efficient and effective servicing of the membership at large"; that assets such as beauty, chamber of commerce, aggressiveness, real estate market conditions, politics or even temporary tax inducements are not a part of the considerations for efficient location of national headquarters; that travel distances for staff and officers of N.A.L.U. on coast-to-coast swings are the same regardless of which major cities one starts from; that the president—the chief traveling officer—may come from any section of the United States regardless of N.A.L.U. headquarters location; and that "the real consideration for the effectiveness of our national organization depends upon accurate information, dissemination of this information, and the liaison between our organization and other organizations engaged in national life insurance work."

For these reasons the state association officially and cordially invited the National association to locate its headquarters in an area:

1. Near the Life Insurance Assn. of America "because of their facilities and generosity in the loaning of their talent and personnel in the form of attorneys and actuaries for research projects."
2. Within easy distance of L.I.A.M.A. "which works so closely with our headquarters on national quality awards and other projects."
3. Within easy reach of the American College—"for its educational impact on our organization."
4. Near the Institute of Life Insurance—"that their ideas and our National association's ideas may be freely interchanged for the development of best information to the American public on the life insurance business."
5. Convenient to the New York City meetings of the National Assn. of Insurance Commissioners—"whose meetings in New York City are attended by our staff members."
6. Having good transportation and communications so that trustees, executive committee members, and members at large can reach headquarters with a minimum of transfers from major airlines, railroads, and the like.

utive committee members, and members at large can reach headquarters with a minimum of transfers from major airlines, railroads, and the like.

The resolution also stressed the "tradition and knowledge of our history which largely reposes in the memories of senior staff members of our home office" and emphasized that it is therefore important that headquarters not be moved so far that the services of senior staff members might be jeopardized and their long years of service lost because of moving national headquarters outside the New York City commuting area.

Frank B. Alberts, Aetna Life, Rochester, reported as president on the activities of the state association since the last meeting, in May.

Frank Weener, Connecticut Mutual, Utica, reported on the status of the state association's plan for enlisting the companies' financial help.

It was indicated by the delegates that most local associations in the state are increasing their annual dues by \$3. This will be a net increase of \$1 after taking care of the \$2 increase in National association dues voted at the annual meeting in August.

Spencer L. McCarty, Provident Mutual, Albany, executive secretary of the state association, reported on a project under which the association is undertaking to get data filled in on cards supplied by the New York department covering all licensed life agents in the state. Mr. McCarty explained that this information would be helpful not only to the department but to the industry, the companies, and the policyholders.

The cards, when filled in, will show, for example, how many persons are actually in the life insurance business. The number of licenses is no clue to this, since there is no way of telling whether a licensee is retired, or has a full-time job in some other line and writes only an occasional policy, is mainly a fire and casualty broker, or possibly a seller of travel accident policies at a railroad station ticket-window.

Mr. McCarty emphasized that the job can only be done by personal interviews. Associations that are willing to cooperate and undertake to see that the cards are not misused for soliciting purposes will be sent the cards covering their areas.

President Alberts spoke on the loss that the association has suffered in the death of Patrick Collins, Metropolitan Life, New York City, a former president of the state body.

Mr. Alberts also announced that the managers' conference at the Gideon Putnam hotel, Saratoga Springs, will be held Feb. 19-20 and that the delegate meeting in the spring will be May 21 at the Hotel Sheridan, Rochester, the meeting of the general committee being scheduled for the previous evening.

E. R. Gettings, Northwestern Mutual, Albany, said a vacancy on the advisory board set up to confer with the department on pre-licensing examinations had occurred because of Stinson Scott's moving from Rochester to Philadelphia. He said Mr. Alberts and Howard Davies, both of Rochester, had been nominated, giving the department a choice.

The meeting was brought to a close with a short talk by Julian S. Myrick, retired vice-president of Mutual Life and past president of the state association.



EVERY MEMBER of the FAMILY

The bulk of the protection should be on the life of the income-producer of the family, of course.

But the uncertainty of the future applies to every member of the family, and the death of any one of them brings an economic shock greater today than ever before.

We have always offered Life Insurance on every member of the family, including the baby.

The NATIONAL LIFE and ACCIDENT Insurance Company

INCORPORATED

Home Office: NASHVILLE, TENNESSEE

Examine Underwriting at Chicago A. & H. Parley

(CONTINUED FROM PAGE 11)

ident of Employers Reinsurance, talked on sub-standard A&H, saying this is a field in which only five companies are doing much, and none of them have developed a substantial business.

Sub-standard, Mr. Miller said, is not the type of insurance that is to be issued on some one who is momentarily expecting a loss, but is a loss of time coverage issued at a higher than normal rate due to an impaired physical condition. The applicant should be actively employed full time.

One foreign company has written most of the sub-standard in the U. S. and has been writing it for several years, he said. In 1952 its new and renewal business amounted to more than \$500,000 and the loss ratio has been satisfactory. More seriously impaired risks are issued only 24 month accident coverage and one year sickness; but a large portion of the business is on risks other companies would write standard with a waiver, while this company removes the waiver in consideration of a rate-up. For these latter

risks, coverage is lifetime accident and three year sickness and results have been good. There is a solid public demand for coverage on rated-up policies, indicating that the business can be sold and that the sub-standard insured will pay a fully adequate premium for coverage that he needs.

An American company has begun to write business on the basis of the manual written by Roy A. MacDonald of the conference, but has not developed enough business to show an experience trend. This company waives almost no cases and provides broad coverage of two year accident and one year non-confining sickness with benefits reduced 50% at age 60 for new disabilities thereafter. Regular agency commissions are paid, but the company feels this plan is not yet in proper shape from a sales standpoint.

The three other companies doing a sub-standard business all use different approaches, but Mr. Miller said they have taken only one step toward a full coverage on this class.

He said the reason so little has been done in the field is that there is no means of standardizing a program for many companies. Just at the time

Hearthstone Seeks Restraint on Misrepresentation Issue

Hearthstone Ins. Co. of Boston, a member of the Combined of Chicago group and which has been accused by Commissioner Maloney of California of misrepresentation in securing business, has asked for an injunction to restrain the commissioner from proceeding against the company.

It is alleged that Mr. Maloney's action is discriminatory, shows prejudice and causes personal inconvenience to the insurer and its president, W. Clement Stone. Mr. Stone, who holds a California broker's license, is also facing charges by Maloney.

The company calls attention to a press release issued by the commissioner when the accusation was made, and says it shows prejudice. It is also noted that a further extension of time asked for by the company was not granted, and this is deemed to be personal inconvenience.

When joint company action might have proved beneficial, the business became subject to anti-trust laws. Until only a few years ago there had been no manifest need for sub-standard.

One of the approaches might be through the means of reinsurance, he said, so that some homogeneous data can be collected. This approach also has difficulties and would involve problems that are staggering in comparison with sub-standard life insurance. It would mean accumulation by the reinsurer of a potentially mammoth exposure of a highly experimental and dangerous nature, the type of obligation, Mr. Miller remarked, reinsurers naturally are not likely to want.

Although efforts to write sub-standard are appearing in increasing number, Mr. Miller said the business has to find a solution, or admit that it was a need which should be fulfilled within the purview of government rather than non-governmental action. He said there has been too much talk about the subject and too little action taken.

The liberal policy Business Men's Assurance has developed in post-claim underwriting was described by D. B. Alport, vice-president in charge of underwriting, who warned that hasty action in cancelling after a claim is not only the worst public relations exercised in the A&H business, but can be costly in the loss of salesmen and future business.

After an individual recovers from a disability and has received considerable attention from the claim department, he naturally expects the company to accept the next premium, and Mr. Alport remarked that it is poor business to build up good public relations in the claim department and then have it destroyed by the underwriting department.

If a salesman quits because of bad treatment to one of his policyholders, the company is facing a bill for training that runs from \$1,500 for the first six months to as much as \$27,800 for those with the company two years or more. Even the smallest figure would pay a substantial future benefit to a policyholder.

Business Men's Assurance gives individual consideration to every post-disability review and tries to adopt the attitude of how the policy can be continued rather than how the company can get off the risk.

In this review, the insured's standing in the community is considered, and whether he has other insurance with the company. The position of the salesman also gets attention if the company is unable to continue, and some basis

is determined so that the policyholder can be offered renewal at a higher rate or with a waiver rather than be.

Agents!

Do You Want--

✓ Large Commissions

✓ Steady Renewals

✓ Standard Policies

(rates and provisions competitive with every old line legal reserve life company in the U. S.)

✓ Special Policies

(two of them, both sure-fire best sellers.)

✓ Established Territories in the South

✓ Brand New Territories in Texas and Oklahoma

✓ A Sound Company

National Equity Life has operated in the South for 28 years, and is now expanding into Texas and Oklahoma.

This may mean unusual opportunities for you.

Write today for full information.

NATIONAL EQUITY LIFE INS. CO.

Little Rock, Arkansas

C. E. LOWRY, President



SALES POWER

Our new rate book contains a wide variety of juvenile and adult policies available to meet any personal, educational, business, estate clearance or retirement need from age 0 to 75. We are particularly proud of our new, forward-looking juvenile features: exclusive new policies developed from 35 years of experience in juvenile insurance—full benefit even if issued at age 0; dismemberment and fracture and double indemnity for accidental death from birth, representing major advances in this lucrative field.

Some open territories in Illinois, Iowa, Michigan and Wisconsin.

Direct inquiries, in confidence, to Sales Department

FIDELITY LIFE ASSOCIATION

A Mutual Legal Reserve Company

Home Office—Fulton, Illinois

Distinguished Life Insurance Service Since 1896

A Service Guide A

Valuable Paper Wallets

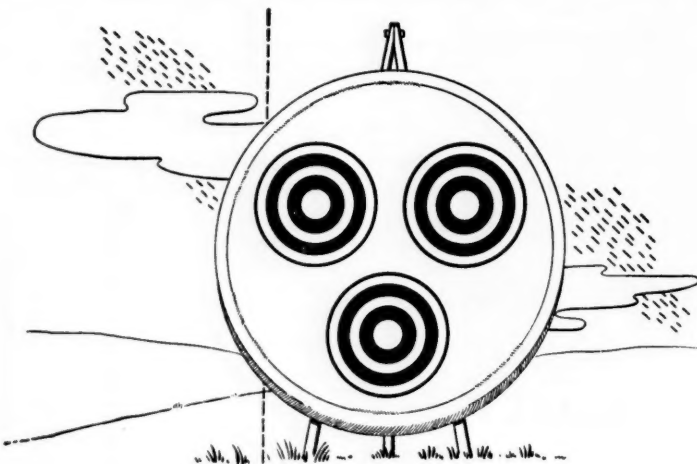
One or a Thousand

Write for Brochure

J. M. NEWMAN

2328 N. Henderson

Dallas, Texas



The Target with 3 Bulls-eyes!

To be a crack shot in the insurance business you must be able to hit all three bulls-eyes at once. Not such a difficult feat as you may suppose—once you set your mind to it.

The agency department of American United Life Insurance Company has been "going to town," because it recognizes its three-fold responsibility: (1) a responsibility to its policyholders—giving them maximum value and service at a minimum of cost; the essence of successful underwriting; (2) a responsibility to its field representatives—providing maximum compensation for quality business; the secret of keeping good men; and (3) a responsibility to the home office—to carry out its philosophy of operation: the answer to team work and cooperation.

You might say we're bragging a little. We are. You see, we have something to brag about.



AMERICAN UNITED LIFE INSURANCE COMPANY

HOME OFFICE, FALL CREEK PARKWAY AT MERIDIAN ST.

INDIANAPOLIS, INDIANA

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ing given an ultimatum of cancella-
tion.

In those cases where there is defin-
ite suspicion of selection against the
company, non-renewal is generally
recommended and if the client is guilt-
ty, there is very little loss of good will.

Mr. Alport said the company medi-
cal director is not usually of much
help. It is not fair to ask a doctor
whether it is safe to continue on a
risk who has just recovered from an
attack of coronary occlusion or who
has had an operation for a malignant
tumor.

For those persons whose claims have
been numerous but for small amounts,
a longer waiting period might be
called for. In other cases poor experi-
ence may be the result of a too liberal
supplementary list of benefits, and
these might be eliminated or reduced
and the basic contract continued.

At the time premium notices are to
be checked out, cases under considera-
tion are referred to the underwriter
for another review. It is possible that
as many as 11 months could elapse
from the time the file was closed on
the last disability until it is up for
renewal, and often action which would
be recommended originally is tem-
pered by the lapse of time.

If the policy is to be modified or
terminated, the case is turned over to
the agent who wrote the business or
to his branch office. The man who is
affected is visited and the case is
handled on a personal basis and the
agent is compensated in a small way
for his service call.

Frequently B.M.A. discusses these
situations with the manager or agent
before reaching a decision, getting the
full story of the claim, and Mr. Alport
said it is surprising how tough the
agents are in their recommendations.
However, when the company goes
along with the agent's recommenda-
tions, he is able to handle the situa-
tion with very little loss of good will.

B.M.A. started its liberalization pol-
icy in 1941 and at that time made a
card record of every case on which it
stayed on a risk that might previously
have been recommended for modifi-
cation. The idea was to check these
cards after two years to find out
whether subsequent claims had been
presented. The program gradually ex-
panded, the company got more and
more liberal and the record cards af-
ter one study were never looked at
again.

Medical aspects of A. & H. under-
writing were discussed by Dr. E. B.
Williams, medical director of Wiscon-
sin National Life, who said in his op-
inion the most important aspect of un-
derwriting is the interrelation of A.&H.
insurance to organized medicine and
the insuring public.

After considering the principles of
insurance along with the elements of
medical practice, Dr. Williams said
that the first conclusion to be reached
is that the cost of serious illness is sus-
ceptible to the valid application of in-
surance, but the cost of minor illness
definitely does not qualify. At the same
time there needs to be some effective
brake against accepted medical charges
as well as to avoid the evil of reward-
ing the loser. In the latter case, a good
answer is to share the cost between
the insured and the insurer through
the means of coinsurance.

The health insurance policyholder
must be convinced that he wins rather
than loses when he fails to have a loss
under the policy, and he said there is
the necessity of educating the public

both as to needs and the proper use
of insurance protection.

The costs of health care to be a de-
terminable risk must be set by some
type of fee schedule. Many people be-
lieve the indemnity type of coverage
might be more practical if a realistic
fee schedule were applied from which
the costs of various illnesses could be
determined.

Mentioning catastrophic medical in-
surance, Dr. Williams said there has
been strong union activity to have em-
ployers pay for this type of insur-
ance, and some people feel that this
stands about where pensions for uni-
onized employees stood in 1948. Cata-
strophic coverage is the most promising
approach the business man has come
up with to provide adequate medical
care without government control, Dr.
Williams declared.

Close cooperation is needed between
the doctor and the underwriter if cov-
erages are to be broadened, he added,
mentioning that the discovery of anti-
biotics, for instance, changed the con-
cept of many underwriters on the score
of infectious diseases, while the surgi-
cal management of congenital heart

anomalies promises the possibility of
insuring patients so afflicted. Sub-
standard underwriting requires close
cooperation between doctor and under-
writer, he said.

Kansas Life Executives Hold Topeka Conference

Kansas Life Executives Assn. dis-
cussed plans for increasing production
at a conference held at Topeka. Presi-
dent of the group is W. J. Bryden,
Jr., president of Victory Life. Frank
Hadden, president of Great American
Life, is vice-president, and J. E. Gard-
iner, secretary-treasurer of Pioneer
National Life, is secretary.

Companies represented at the con-
ference were American Home, Farm-
ers & Bankers, Great American, Kansas
Farm Life, Manhattan Mutual, Pion-
eer National, Pyramid, Security Ben-
efit, and Victory.

Country Life Liberalization

Country Life of Chicago will issue
policies without the war or aviation
exclusion rider at all ages with certain
specific exceptions. Applicants aged 15-
21 who are subject to military service

will be considered on individual merits
in accordance with normal needs.

Exceptions are: Members of air na-
tional guard or other reserve unit fly-
ing military plans, either as pilot or
crew member; members of college
R.O.T.C. units participating in aviation
training; all persons in military serv-
ice.

Applications for removing the war
exclusion rider on present policies will
be considered on the policy anniversary
subject to completion of a new military
questionnaire.

Play Roles in Pa. Parley

RICHMOND, VA.—Many insurance
executives were included in a group
of financial analysts who gathered
here for a two-day regional conference.

Clarence E. Woodroof, vice-president
of Union Life of Richmond, presided.
He is president of Richmond Society
of Financial Analysts.

A reception for guests was sponsored
by Lawyers Title Ins. Corp., Life
of Virginia, North America Assurance
Society and Union Life.

Hollister V. Schenck, vice-president
of Life of Virginia and president of
the Virginia Chamber of Commerce,
also was on the program.

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Retirement—Three-Way Choice

The Provident Life Producer has an enviable choice when he reaches retirement age—for he will receive his retirement income regardless of whether he continues to produce new business. For example: 1) he can continue fulltime produc-
tion and still receive his full commissions plus his full retire-
ment income, 2) he can work only part-time—still receiving
full commissions and full retirement income, or 3) he can
quit altogether, in which case he receives his retirement
income *plus* his vested commissions. This retirement plan
is **NON-CONTRIBUTORY**.



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ACCIDENT

New Yorkers to Elect New Officers Nov. 19

A & H Club of New York will meet Nov. 19 to hear a talk by M. D. Griffith, executive vice-president of New York Board of Trade.

The nominating committee has made up its slate and it will be voted on at that time. Nominated for president is Arnold W. Danckwerth, Mutual Benefit H. & A.; 1st vice-president, George F. Monks, New York Life; 2nd vice-president, A. H. Clarkson, Royal-Liverpool group; 3rd vice-president, Fred W. Bumby, W. L. Perrin & Son; treasurer, Andrew G. Borden, Metropolitan Life; assistant treasurer, Edmund S. Flyntz, Metropolitan Life; secretary, Edward E. Anderson, Commercial Travelers Mutual Accident; assistant secretary, K. J. MacDonald, Hartford Accident.

MacDonald at Milwaukee

Roy A. MacDonald, director of company relations of H & A Underwriters Conference, addressed the Nov. 5 meeting of A & H Underwriters of Milwaukee. His talk was entitled "Creative Salesmanship."

Postpone Detroit Talk

Detroit Assn. of A & H Underwriters postponed its meeting scheduled for Nov. 9, at which L. A. Orsini, Bureau of A & H Underwriters, was to have given a talk on the proposed Detroit individual hospital admissions plan. The Detroit newspapers put out conflicting stories on this proposal, and Mr. Orsini will give the agents the latest information at a meeting at the end of November or early in December.

Cheek on A.&H. Committee

RALEIGH, N. C.—In a joint release, Acting Commissioner Hostettler and incoming Commissioner Gold have announced the appointment of former Commissioner Cheek to the public committee named earlier this year by Mr. Cheek to study the problem caused by sudden A&H cancellations.

Mr. Hostettler said he and Mr. Gold intend to follow through on the study and desired the "aid and counsel" of Mr. Cheek.

Graham Plans Bureau Meet

Harry L. Graham, Bankers Life of Iowa, is chairman of the annual meeting committee of Bureau of A & H Underwriters. The bureau has scheduled its 1954 meeting for Sept. 13-15 at Colorado Springs.

Cameron Blue Crown Chief

C. W. Cameron has become head of the Blue Crown agency which operates at Dallas, San Antonio and Austin. He has been manager at San Antonio. In his new position he takes the place of Walter Fred Kasten, who died recently at Dallas at the age of 63. Mr. Kasten was also vice-president of Commercial Travelers Casualty.

Ind. A&H Men to Hear Callahan

Thomas Callahan, Time, Milwaukee, president of International Assn. of A. & H. Underwriters, was speaker at a luncheon meeting of the Indiana association at Indianapolis Nov. 9.

Predicts Blue Cross Expansion

Blue Cross within the next 20 years will expand its coverage to include every medical expense except ordinary drug store purchases and medical costs for such minor items as cuts and bruises, E. A. Van Steenwyk, executive

director of the Philadelphia plan, said at an anniversary meeting of the North Carolina Blue Cross at Durham last week.

Mr. Van Steenwyk, who said "Blue Cross has shown the way to avoid the tragedy of state medicine," suggested that government could assist in the expansion of health coverage by working out partnership arrangements at the local level so that those in low income groups can have the same protection as those enrolled in Blue Cross.

Albert E. Richey, associate manager of the H. F. Swisher agency of Mutual Benefit H. & A. and United Benefit Life, Columbus, O., has been named chairman of the 1954 convention of Ohio Assn. of A. & H. Underwriters, to be held at Columbus May 7.

Has Junior Estate Builder

Loyal Protective Life has introduced a junior estate policy with a death benefit increasing to \$5,000 at age 21, paid-up at age 65. In addition, the policy permits insured at age 21 to elect to change to either the endowment at age 60 or the endowment at age 65 plan for face amounts which will vary according to the age of issue.

B.M.A. Marks Grant Month

Business Men's Assurance field men again this month are honoring W. T. Grant, chairman and founder of the company. Since 1920, B.M.A.'s November sales have been dedicated to Mr. Grant, and without exception it has been a month of record production.

In 1952, November was the largest month of the company's history, and normally about 14% of its total A. & H. and life business is produced during Grant month.

Houser Assistant Actuary

Robert N. Houser has been made assistant actuary of Bankers of Iowa. Supervisor of the actuarial department since 1950, he joined Bankers in 1936. He is a fellow of Society of Actuaries and a veteran of World War II and Korea.

• South Slavic Benevolent Union Sloga, at its annual convention at Milwaukee, voted to increase the maximum policy from \$1,000 to \$2,000, and sick benefits from \$1 to \$2 a day. Sheboygan was selected as the next convention city.

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E. R. DEMING
President

L. J. BAYLEY
Secretary

HOME OFFICE — SYRACUSE, N. Y.

Federal Examining Glass Put on Health Field

(CONTINUED FROM PAGE 2)

said. Five insurer and three employer witnesses appeared at the hearing, all predicting that the health insurance problem would be solved through the expansion of various forms of voluntary insurance now available.

Some of the questions asked by committee members implied that a legislative program in the health field was in the making, Mr. Thore said. "Its form was not disclosed, but there was a 'Congress must do something' undertone. And there was reference to the possible regulation by the federal government of Blue Cross, Blue Shield and private health insurance plans on the assumption that state regulation is inadequate."

Noting that it is too early to interpret this new development, Mr. Thore nevertheless speculated on whether it is a kick-off on social legislation in the health field. He asked whether the administration is groping for a social program in this area, wondering whether such a plan would be superimposed on non-profit Blue Cross and Blue Shield plans, or whether private insurers also would be included. He said these are some of the imponderables that may be discussed when Congress convenes in January and the health insurance hearings are resumed.

Mr. Thore said the chairman and two members of the Wolvertson committee presently are overseas studying European health and hospital programs. A press release reviewing their explorations brushes aside voluntary efforts in the field of major medical insurance as being "in the experimental stage." The cost of catastrophic illness is referred to as "prohibitive, implying that the individual no longer is capable of providing against such contingencies." "There seems to be an underlying conviction," Mr. Thore observed, "that the European program for universal health and hospital coverage might suggest a solution. We are told Congressmen will examine a number of aspects of these European plans. An examination of these questions makes it abundantly clear that the committee chairman does not intend to rule out from consideration such things as a federal plan financed by compulsory contributions, or underwriting by government of limited private plans, expanding them into national coverage, whatever that may mean."

There is no suggestion in the press releases that people of the U.S. can solve the health insurance problem through further expansion of established voluntary plans, according to Mr. Thore. He wondered if this situation exists because it is believed the voluntary way will take too long, or whether it is thought the population will not patronize voluntary plans and must be compelled to participate in a government program. The speaker wondered, too, whether it is because of the trend to look more and more to government to help meet the economic impact of sickness as well as old age or whether it is because political realists believe that the success of any administration depends to some extent on inaugurating a humanitarian program which it can feature as an accomplishment. If the latter reason seems at all compelling, he said public

health insurance is a most attractive field for future political development.

Turning to social security legislation, Mr. Thore said the picture remains quite confused. Congressional studies have been concerned with fact-finding and fundamentals, and it is not anticipated that the subcommittee which has hearings scheduled this month will recommend specific legislation in the near future. The Department of Health, Education and Welfare, on the other hand, has offered proposals contained in pending bills which would broaden coverage to include groups now specifically excluded. In addition there are now more than 150 bills affecting social security before Congress.

The speaker predicted that the coming session of Congress will bring into the open a struggle between those who favor prompt action to liberalize benefits and those who believe the changes should be made only after thoroughgoing studies have been completed and principles agreed upon.

Faced with these uncertainties, Mr. Thore remarked life insurers through a joint committee on social security devoted 1953 to a careful study of the program, particularly as to the position life insurance companies should take.

Mr. Thore said he expects regulations to be issued soon following the lines recommended by the industry in determining whether a life insurance salesman is full-time within the meaning of the social security law. The industry has contended, he said, that application of tests based on earnings and time are impractical, if not impossible, and that the determination of coverage is primarily a question of the intention of the parties. Under this theory, he said, the contract between the insurer and agent should show whether they intend the full-time relationship. It is expected, he added, the government will adopt this determination, except where the surrounding facts and circumstances make it obvious the agent is on a part-time basis.

Weidermann Is Honored at San Antonio on Retirement

B. A. Weidermann, San Antonio manager for Union Central Life, was honored on the evening of his retirement with a dinner given by the company, with President Howard Cox presiding. Mr. Cox paid tribute to Mr. Weidermann's 17 years as an agent and 23 years as a manager. Wendell F. Hanselman, agency director, spoke of Mr. Weidermann's achievement in writing \$1 million of business at a time when this would equal \$4 million today. Among the other speakers honoring Mr. Weidermann was his son, Sidney H. Weidermann, who succeeds his father as manager.

New Hearing Rules in Mich.

LANSING—The Michigan department has announced adoption of new rules of procedure pertaining to hearings. The rules have been approved by the attorney general's department but are still subject to scrutiny and approval or rejection by the legislature.

Hearing procedures will be made more uniform and will follow court practices to a greater extent. Upon request from interested parties, the department must give a ruling and explanation. If the ruling is unsatisfactory a hearing may be demanded. Hearings are allowable in connection with promulgation, amendment or repeal of existing rules.

In cases in which parties submit

briefs, copies must be mailed to the department and to the opposing parties, if any, at least five days in advance of the hearing date. Depositions may be taken with approval of the commis-

sioner in conformity with the judicial act. Opportunity shall be given for cross-examination during progress of hearings. Objections to the new rules should be filed on or before Nov. 20.

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EDITORIAL COMMENT

Group Insurance and Racketeering

What with Columnist Westbrook Pegler's recent outburst and the appointment of George Trosk as special counsel to the New York department to investigate union welfare funds, attention has again been focused on the practices followed by insurance companies in setting up group programs on multiple-employer cases arranged through collective bargaining.

These cases are largely an outgrowth of efforts to control inflation and maintain an orderly labor market during the second world war. When wages were frozen, welfare plans were ruled non-inflationary, so labor leaders turned their attention to bargaining for welfare programs and they have never turned back. Under the W. W. Cross decision of the U. S. Court of Appeals, it was held that health and welfare plans are a proper subject for collective bargaining.

Obviously, self insurance is inapplicable except in a few situations. Most of the bargaining agreements cover too small a group for the principle of averages to operate and the administrators of the funds have scant knowledge of insurance practices. If the group insurance industry had turned up its nose at this business and driven these funds into self-insurance, it is almost certain that enough of them would have got into administrative and financial difficulties so that the government would have had to take over.

It seems perfectly obvious that it is the duty of the group insurance industry to look after the legitimate needs of the American public. Most of the prominent group companies are writing this multiple-employer type of business and while the Pegler attack can be written off as a typical example of "Peglerizing," it reflects a lack of comprehension on the public's part as to what goes on in these cases and the reasons why they are written. The particular case that Mr. Pegler singled out for criticism was the Heavy & General Laborers Welfare Fund of New Jersey, Locals 472 and 172, underwritten by Prudential.

This case was written in 1951, covering some 4,500 employees in the construction industry. The benefits provided were \$2,000 of group life and accidental death and dismemberment, \$10 a day hospital membership, and a surgical schedule going up to \$100. The

hospital and surgical benefits cover both employees and dependents.

Mr. Pegler attacks the eligibility provisions, which currently require that an employee have worked at least 500 hours within six months in order to become insured. However, some simple administrative rule is clearly necessary, especially in seasonal industries, and we fail to see how this provision is any harsher than typical eligibility requirements under state unemployment insurance laws or the eligibility requirements for agricultural laborers under the federal social security act.

At the end of the first policy year the claim experience was very favorable, and Prudential returned a large dividend, which was used to liberalize the benefits. The life insurance and accidental death and dismemberment were increased from \$2,000 to \$3,000, the hospital daily benefit from \$10 to \$12, the surgical maximum from \$200 to \$300 and two new benefits were added: \$5,000 polio insurance and a medical benefit of \$5 a day while the employee or his dependents are hospitalized.

The case is administered through a Taft-Hartley trust with equal representation by employer and employees and there is no possibility of the monies paid by the employer being used for purposes other than designated in the trust. The case is underwritten by Prudential at a total retention of less than 6% of premiums, a figure that covers commissions, administrative expenses, premium taxes and contribution to contingency fund.

We mention this case because it is the one Mr. Pegler brought up, but the same sort of situation exists in almost every prominent group company.

Obviously, the commission element in such situations can be nothing like the "enormous commissions" that Mr. Pegler referred to in his column on the Prudential. In fact, the usual small size of the commissions constitutes a safeguard that is normally effective against racketeers becoming interested.

Mr. Trosk's investigation will be doing the public and the insurance business a real service by discovering and rooting out the bad spots in the multiple-employer welfare fund field. It is unfortunate, however, that it has

been made to appear that there is a vast amount of this sort of thing going on. We are convinced that the type of evil Mr. Trosk is trying to unearth is actually extremely rare and decidedly not typical of group-welfare business as a whole.

The group companies are to be complimented on their progressive attitude in handling labor union cases. Many of these could not be insured in any

other way than through a union set-up because so many different employees are involved that the union is the only logical focal point. True, there are unquestionably some bad spots that should be cleaned up as rapidly and thoroughly as possible but there is no excuse for Westbrook Pegler's implication that any insurance handled through a labor union is automatically tainted with racketeering.

PERSONALS

Charles Fortune Gold is going to take office as North Carolina insurance commissioner with ceremonies in the governor's office Nov. 16. At his request, the oath will be administered by Associate Justice J. Wallace Winborne of the Supreme Court. The council of state will attend en masse.

Commissioner Joseph A. Navarre of Michigan has been confined to St. Lawrence hospital at Lansing several days following a recurrence of a nervous condition which resulted in his hospitalization several months ago. Department executives said he was reported improved early this week and probably would be discharged from the hospital in a few days.

John P. Bland, whose father, Frank W. Bland, is Pacific Coast manager of the National Underwriter Co., last week was commissioned a 2nd lieutenant in the army air force at Mather field, Sacramento. Frank W. Bland, Jr., the eldest son, recently was promoted from lieutenant to lieutenant commander in the navy reserve.

Stanton G. Hale and J. McCall Hughes, vice-presidents of Mutual Life, have been named insurance division chairman and co-chairman, respectively, for the Greater New York Boy Scout 1954 finance campaign.

Henry S. Stout, general agent of John Hancock Mutual at Dayton, has been elected mayor of that city. Mr. Stout, who takes office Jan. 1, served on the city commission there for four months.

Miss Jane Hoey, who leaves the social security administration Dec. 1, after having been director of its public assistance bureau since 1936, is a sister of the late James J. Hoey, who was senior member of the Hoey, Ellison & Frost agency of Equitable Life of Iowa at New York City and for a number of years collector of internal revenue for southern Manhattan.

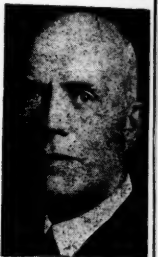
President Clarence Myers and Executive Vice-president Dudley Dowell of New York Life, both of whom were recently elected to those positions, were honored at a dinner at St. Louis given by William H. Danforth of that city, who is a company director. Also honored was O. R. Carter, regional

vice-president for the company at St. Louis. Among those attending were Governor Cherry and Commissioner Coombs of Arkansas. Messrs. Dowell and Carter got their starts with New York Life at Little Rock. Mr. Myers also was honored at a luncheon given in Dallas by Fred F. Florence, president of Republic National Bank. Mr. Myers was in the city in connection with opening of the company's new regional offices there.

Roy Denny, retired Travelers general agent and a past-president of Los Angeles Assn. of Life Underwriters, and Mrs. Denny celebrated their golden wedding anniversary at their home in Pasadena.

DEATHS

JOHN G. PARKER, 70, former president of Imperial Life and a past president of several insurance organizations, died. Mr. Parker joined Imperial's actuarial department in 1906, was named general manager in 1936, managing director in 1944 and president three years later. He was the first man ever to be elected president of both of the then leading actuarial societies. He headed American Institute of Actuaries in 1926-27, and Actuarial Society of America in 1934-36. These since have been combined into the Society of Actuaries. Mr. Parker was a past-president of Canadian Life Insurance Officers Assn. and of Life Insurance Institute of Canada. He also served in official capacities with Life Insurance Assn. and LIAMA.



John G. Parker

HARRY H. DANFORTH, 70, who was with Metropolitan Life for 25 years until his retirement, died at Saranac Lake, N. Y.

WILLIAM R. ALLEN, who died at Butte at the age of 82, was one of the founders in 1911 of Montana Life, which is the company that is now known as Western Life. He was a miner and timber operator and was for-

THE NATIONAL UNDERWRITER

—LIFE INSURANCE EDITION
PUBLICATION OFFICE:
175 W. Jackson Blvd., Chicago 4, Ill.
CIRCULATION OFFICE:
420 E. Fourth St., Cincinnati 2, Ohio

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Walnut 9801. O. Robert Jones, Southeastern Manager.

BOSTON 11, MASS.—207 Essex St., Rm. 431, Tel. Liberty 3-1402. Roy H. Lang, New England Manager.

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merly lieutenant-governor. He founded Western Life along with William G. Conrad. Then he founded and was president of Montana Life from 1912 until it was reinsured in 1917 by Home Fire and Marine.

RAYMOND D. SORENSON, 49, a Metropolitan Life agent at Port Huron, Mich., for 20 years, died of a heart ailment. He had been national committeeman for Port Huron Life Underwriters Assn.

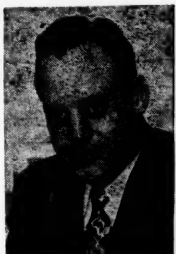
JAY R. BENTON, president of Boston Mutual Life and chairman of its finance committee, died of a heart attack at his home in Belmont, Mass. He was 68. Mr. Benton was elected a director of Boston Mutual in 1932, and served on both the finance and real estate committees and as vice-president before becoming president in 1937.

During his 16 years as president Boston Mutual tripled in size. Mr. Benton graduated from Harvard College in 1908 and Boston University law school in 1911. He was elected to the Massachusetts legislature in 1917, was appointed assistant attorney general in 1918 and served as attorney general from 1923 to 1927. He was associate counsel of Massachusetts F. & M. from 1912-15.

NEWTON C. HAWLEY, 47, superintendent of the advertising department of National of Hartford group, died at Hartford Hospital following a short illness. A graduate of Wharton School, for several years he was an investment statistician at Life Agency Management Assn. before joining the National of Hartford group's advertising department in 1940.

MERVIN L. LANE, 59, New York City broker and author, died after a long illness. He started in 1914 as agent of Equitable Society and opened his own brokerage office in 1935, writing all lines. He was a partner in the former Lane agency agency of Home Life in New York with his father Louis, and his brother Frank.

HARRY L. SCHROEDER, agency director of Central Standard Life, died Tuesday after an illness of one week. He was 39. Mr. Schroeder spent his entire business career in life insurance. He started as cashier for Equitable Society at Minneapolis in 1933.



Harry L. Schroeder

Transferring to sales, he remained with Equitable until 1941, when he went with John Hancock. He was successively an agent and assistant manager and in 1948 was appointed home office regional supervisor at Chicago. In 1950 Mr. Schroeder was appointed director of industrial agencies for Central Standard Life and the following year he was advanced to agency director.

W. D. MCKEWEN, 59, 3rd vice-president of Metropolitan Life and assistant general manager of its Canadian head office at Ottawa, died at Columbia Medical Center hospital, New York City. He had been with the company 45 years and had helped establish the Canadian head office in 1924. He was a veteran of the first war.

NEAL H. EWING, 89, formerly an attorney at the Mutual Life home office, died at Cranford, N. J. He had been with the company 40 years before retiring in 1940. He was on the Notre Dame University faculty before joining Mutual.

Hogg Evaluates Change in D. C. Picture for LIAMA

(CONTINUED FROM PAGE 5)
outset issued a statement lauding state supervision. It seems he wants to implement it, if necessary, without in any way supplanting it."

Because the public, and Congress as a group, does not understand why life insurance is living under a temporary tax formula, Mr. Hogg said it seems the coming year will bring forth an administration program which will require considerable attention. Emphasizing the importance of the company tax, the speaker commented that nothing the government could do could

more adversely affect the industry in as many areas as a bad tax. "Confidence in the business could be destroyed over night by any method of taxation which would interfere with the proper accumulation of surplus or with reasonable dividend policy. I mention this, not that there is any immediate threat of such a thing but rather to stress the overall importance of the current tax picture."

If Congress takes no action, Mr. Hogg explained company taxation will revert to the 1942 act which in 1947 produced no revenue. Improved interest rates coupled with general strengthening of reserves, however, under the 1942 act would produce more revenue on 1954 business than if the government extended the 6½% temporary proposal for another year.

"No opportunity should be lost for those in the business to point out the heavy taxes which the life companies currently pay," Mr. Hogg stressed. "State premium taxes—obviously gross receipt taxes—plus federal income taxes now place a burden on policyholders equivalent to 3½% of premium income. What other business has an income tax burden equivalent to 3½% of its gross receipts?"

Seale to State Mutual as Agency Superintendent

Hubert O. Seale, Jr., has been named a superintendent of agencies and officer of State Mutual Life.



H. O. Seale, Jr.

Mr. Seale resigned recently as agency vice-president of Manhattan Life, a post he was named to last May.

Mr. Seale went with Manhattan in 1945 as Pacific Coast supervisor, was made superintendent of agencies of the western division in 1949 and the following year went to the home office as director of agencies. He started in the business with Northern Life of Seattle as an agent at Eugene, Ore., in 1927, later advancing to manager at Oakland, Cal., supervisor for Oregon, manager at Los Angeles and then supervisor for California.

He is a graduate of LIAMA management school.

Cinci. Association Trying New Plan

CINCINNATI—An innovation in life underwriters association meetings is being tried this year by Cincinnati Assn. of Life Underwriters to "do more for the average life underwriter," according to Glenn W. Isgrig, general agent of Lincoln National Life, president. The regular monthly luncheon meetings have been discontinued in favor of bi-monthly meetings of a varied type.

The fall program opened with an all-day seminar conducted by Ralph G. Engelsman, Penn Mutual, sales consultant, New York, which proved very popular. The second meeting, open to the public, is scheduled for the evening of Nov. 27, at Wilson auditorium, University of Cincinnati. The little theatre group will stage the Laflin C. Jones playlet, "The Ordeal of Richard Roe." More than 770 tickets have already been sold for this event, the largest number by over 250 ever to attend an association meeting.

The January meeting will honor agents who have attained national recognition; the March meeting will be a luncheon gathering with a nationally known speaker; the association will be host to the state association in May, and the annual election will be held in June.

The program is planned to stimulate interest, get better attendance, and reduce the cost to the members. The reduction in meeting costs will more than offset the increase in membership dues which is necessitated this year, according to President Isgrig, who also says that the program is in keeping with the general trend in the business to reduce the number of meetings and to have fewer, but better meetings.

Washington National High

During October Washington National showed an increase in ordinary written life insurance of 22.5% more than the largest previous month in the company's history as a tribute to H. R. Kendall, co-chairman and co-founder, who is celebrating 60 years in the life insurance business and in whose honor production efforts during the months of October and November are being dedicated.

● Amicable Life has passed the \$200 million insurance in force mark.



There are Unusual Opportunities in Other States, Too!

Similar fine organizational opportunities await other good men in various cities and groups of counties (and other states yet to be developed) throughout the country. You, too, will deal direct with the home office. We are now in the process of building a vast organization of top producers to participate in our 50th Anniversary Celebration. But meanwhile profit immeasurably by representing us NOW! Better act quickly!

These Five Fertile Fields Await Profitable Cultivation!

In an active program to build business in ILLINOIS, WISCONSIN, CALIFORNIA, PENNSYLVANIA and SOUTH DAKOTA, this strong, aggressive life company seeks high-calibre men. If you live in any of these states, learn what a splendid future you can have by growing with us.

This can well prove to be an unusual LIFE opportunity to develop business by appointing sub-agencies and selling our portfolio of time-tested insurance. You will have direct contact with the home office. Immediate field training and sales assistance will be provided personally by our State Manager at no cost to you. You will also be further backed by proved and profitable promotions to develop leads that will help you make sales and obtain agents. If you have the ability, this is your chance to build a fine and lucrative agency. Are YOU the man in your state who can grasp this opportunity?

● Phone, wire, or write quickly to Harry L. Schroeder, Director of Agencies.

CENTRAL STANDARD LIFE
Founded 1905 **INSURANCE COMPANY**

211 W. Wacker Drive

Chicago 6

Zimmerman Urges Better Grooming for Supervisors

(CONTINUED FROM PAGE 2)

have confidence in, and will like and respect? Will the men in the agency be the sort who "talk his language" and with whom he would like to be associated socially? Does the agency have any kind of a record of developing good men? (Actual production figures should not be considered here.) Has the agency been successful with men of his particular age group? "The development of a young man requires more patience and an understanding of the younger man's problems and his reactions to situations. The young man's market will differ from that of the older men. Does the agency understand this and is it prepared to help him develop the market which is best suited to his needs?"

Of course, the agent, once contracted, has a definite responsibility to his agency, and Mr. Zimmerman nailed it down thus: "Our financing plans, particularly our salary plans for new agents, are based on the assumption that we are financing against a man's full time effort. If our financing is adequate to meet basic budgetary needs, then we have every right, legally and morally, to expect and to re-

ceive his full business time and his best effort. If we are receiving less than this, we should know it and the reasons for it."

Mr. Zimmerman, near the outset of his address, embraced some of the duties of life insurance to the general business area. One of these, he said, is the industry's charge to see that taxes, high as they are today, get "no higher than they need to be to support the efficiently carried out essential activities of government at all levels, and that such taxes are equitably distributed . . . The power to tax is the power to destroy."

One of the results of a tax relaxation would be to pull the plug in the sink of abuses which have come about in too high amounts of group insurance, he said. "To the extent that a reduction and redistribution of taxes will permit the employer to make adequate payment for services received through the hard core of direct competition, the urge to make indirect fringe benefit payments will be modified," Mr. Zimmerman declared.

Turning to the cost limitations imposed by Section 213 of the New York state law and the net cost limitations of company competition, Mr. Zimmerman asked how the lower middle income bracket could be more effectively approached under these conditions.

"Surely, today," he said, "it is to the advantage of neither the agent, the manager, the company nor present policyowners to put on the books any greater proportion of individual policies coming from an income market characterized by lower average size policy, lower premium per \$1,000, and higher collection frequency."

"Fortunately, there are other avenues by which we may attain our objective. One of these is by cutting down the cost of making the sale. Another is by reducing the cost of putting the business on the books after the point of sale. A third is by reducing the cost of collection and service."

Elaborating on these points, Mr. Zimmerman asked, "What is the cost per sale other than the direct commission paid? . . . the cost per sale varies . . . we should at least thoroughly study our own costs per sale in an effort to establish these. Having done this, we can then study methods of reducing such costs by eliminating waste effort in securing sales."

He listed these areas where savings can be made: Increasing the effectiveness of the salesman, reducing buyer resistance, and increasing product appeal and product flexibility to need.

What about reducing the cost of putting business on the books? He

suggested these points for investigation: The cost of underwriting and issue, further exploration into underwriting on individual risks; underwriting and issuing of more business in the field rather than the home office.

"In the area of collection and service, can service be effected by the clearing house method of monthly premium collection?" he asked. "Can we more economically and efficiently render service to our established policyowners through full time, salaried service personnel? . . . The more skilled our agent becomes as a salesman, the greater his compensation for every hour devoted to selling, and the greater his loss of compensation for every hour devoted to routine servicing. In the ordinary field at least, the payoff on sales is so much greater than it is on routine service that the salesman in self-preservation has only one choice as to which activity he will give priority." He therefore suggested that routine service now given by salesmen be backed up by a trained force of salaried representatives through whom such service can be guaranteed.

Is Optimistic About Texas

Howard Holderness, president of Jefferson Standard Life, while in Houston to observe the 40th anniversary of the company's operations in Texas, envisioned great promise of continued growth for Houston, as well as the entire state. As evidence of the company's faith in this statement, Mr. Holderness mentioned that Jefferson Standard has invested more than \$54 million in Texas mortgages so far this year and is seeking additional loans in the industrial and residential fields. The company's entire Texas mortgage loan portfolio now exceeds \$26 million. Texas ranks second among the 21 states served by Jefferson and now has more than \$170 million of insurance in force, Mr. Holderness said.

No SS Benefit Cut: Curtis

WASHINGTON—Life insurance people here are interested in a statement by Rep. Curtis: chairman of the House social security sub-committee that nobody need fear reduction in his social security benefits. Observers feel that this statement would seem to indicate unfavorable congressional reaction to that phase of the U. S. Chamber of Commerce OASI program which would result in placing all OASI beneficiaries on a level basis of benefits. Under present law benefits vary considerably and life people say some would inevitably have to be reduced under that program.

Trask to Indianapolis ..

John Hancock Mutual has appointed Ralph W. Trask group claim manager at Indianapolis. Mr. Trask has been for several years with the home office group A & H claim division.

● Lawton Oil Corp., independent oil producing company, has placed with Mutual Life of New York a \$2½ million 5% secured note due in 1960, proceeds to be used to retire existing loans and to provide additional working capital.

LOS ANGELES SUPERVISORY OPPORTUNITY

Well established agency of prominent billion dollar eastern company embarking on an immediate expansion program creating opening for a young, aggressive supervisor. Broad opportunities and attractive compensation. Previous supervisory experience desirable but not necessary. At least two years' field experience. Write full particulars. Replies confidential. Address V-31, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

RESPONSIBLE POSITION FOR EXPERIENCED CLAIM MAN

A man with experience and ability in life-accident-health claim work may find the opportunity to better his situation (which, probably, is already good) with an established Life-Accident-Health company.

To meet the requirements, this man will be about 35 years of age and will have a good educational background (law graduate desirable but not essential). He will have a number of years of experience in Home Office or Home Office and Field operations—including supervision of claim personnel.

The salary will be attractive even though he has

earned substantial recognition in his present connection. He will be employed by a progressive company which has been doing business since before the turn of the century and which operates on a national scale. He will have the opportunity to enroll in an excellent group insurance program and one of the best retirement plans to be found in any company.

If you feel qualified we would like to hear from you. Give full details in your first letter, which will be held in strict confidence. All correspondence will be acknowledged, and personal interviews will be arranged with the best qualified men. Write to:

BOX V-12

THE NATIONAL UNDERWRITER

175 W. Jackson Blvd.

Chicago 4, Ill.

Can You Qualify?

Established Eastern life insurance company with record of leadership in non-cancellable accident and health field is planning to establish a brokerage agency in New York City. Final decision depends upon obtaining services of properly qualified manager. Only highest qualifications will be considered. Our staff knows of this advertisement. Write Box V-32, The National Underwriter, 175 West Jackson Boulevard, Chicago 4, Illinois.

AGENCY EXECUTIVE

desires connection with a life company as Resident Vice President in area of Missouri, Iowa, Minnesota, both Dakotas, Nebraska, Colorado, Kansas, Oklahoma and Texas. Address V-18, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

UNUSUAL ACTUARIAL OPPORTUNITY

Medium sized rapidly growing midwest combination company has outstanding opening in actuarial department for man under age 45. Must have executive ability and be Fellow of Society of Actuaries. Give full particulars. Replies handled confidentially. Address U-31, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

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Company Relations Panel Shifts Insurance Problems

(CONTINUED FROM PAGE 2)

when being appraised of their stand-
ings in comparison with others in a
city, reacted by raising their sights.
The officer actually had organized an
agency contest as most of the man-
agers got in touch with him, pointing
out what they were going to do to im-
prove their showing, and when.

Another valuable use of these data,
Mr. McEuen said, is where an agency
officer is contemplating entering a new
city. One officer, who had thought
about opening an agency in a city
where production was up 499% be-
tween 1945 and 1952, made a quick de-
cision when he found the number of
agencies in the city had not quite
doubled during the same period.

Just as the agent needs the stimulus
of his app-a-week club, Mr. Peirce
said the manager needs an aptitude-
a-week club to be a successful recruit-
er. He said several companies have
found they get better recruiting results
when they put the emphasis on re-
cruiting activity. One company, for
example, asks each agency for three
final selection interviews each month,
hitting, on the whole, pretty close to
that average. Another used the returns
from the aptitude index to flag the ac-
tivity of its managers in seeing and
testing men.

Mr. Reid told how one company sup-
plemented agency officer visits to new-
er general agents by weekly phone
calls. Planned to show the home of-
fice's personal interest in the new gen-
eral agent, the officer would wear a
telephone operator type head set, en-
abling him to make notes with facili-
ty, particularly as to items he would
want to follow up on the next weekly
call. The original note copy would be
preserved for future reference and a
carbon would go to all agency depart-
ment men. The plan, the company
found, helped create a more friendly,
cooperative relationship between home
office and field. The calls also make
personal visits more effective, as the
agency officer is able to get down to
pressing problems immediately.

Mr. Shackelford said he has found
that stimulating interest in CLU is a
two-fold problem from the agency of-
ficer's point of view. The first is in
setting up the mechanical prospecting
process to determine who is ready to
start the work, and the second is get-
ting these men started on the program.
One company met the prospecting
problem by asking its managers each
fall to sift out staff members meeting
certain requirements, such as comple-
tion of a study course or production
club membership, having a certain
number of years' experience. If an
agent who is eligible does not make
plans to begin CLU, he receives a let-
ter from the agency officer, outlining
the company's plan for meeting cost
and pointing out that his progress is
such as to make CLU a worthwhile in-
vestment.

Retaining the personal touch in the
face of a great increase in size was
mentioned by Mr. Smith as being a
very worthwhile objective that can be
realized through planning. He told how
one company had representatives from
various districts in to the home office
for conferences, and how executive
committeemen would visit district of-
fices, holding discussion sessions
among agents. This enabled the com-

pany to get the views of its field force,
incorporate them into future planning,
and help agents understand policy.

Mr. Whorf described a management
development program under which a
prospective general agent is appointed
a supervisor in the agency in which he
entered the business. If he develops
sufficiently, he becomes a home of-
fice supervisor where he works at
three jobs: He goes to the field and
helps train new supervisors; follows an
organized program of agency visits
with the specific purpose of observing
different types of general agents' op-
eration and how they administer the
company's selling philosophy; spends
half of his time in the home office
where he has a chance to learn all
sources of help open to the manager
and has the opportunity to see what
is involved in special projects in the
home office. After a year in the home
office, the supervisor becomes a gen-
eral agent and attends the first LIAMA
management school held after his ap-
pointment.

Panel Gives Advantages of Consumer Advertising

(CONTINUED FROM PAGE 4)

that "recent trade paper ads have been
keyed to Mr. 4%."

"Now that we have established the
identity of Mr. 4% as a basic element
of our advertising," Mr. Ljung said,
"we expect to continue to feature him
for some time to come." About results,
Mr. Ljung raised the question: "If
the public likes it and if the agent
likes it, what other measuring stick
is there?"

"We think we proved advertising
does pay," reported Robert E. Tem-
plin, assistant director of agencies, as
he told how Northwestern Mutual in
1951 developed a successful case his-
tory in Steubenville, O., to sell the
value of advertising to company agents.
This program was described in detailed
fashion in the March 13 issue of THE
NATIONAL UNDERWRITER.

"A small advertising budget in na-
tional magazines can do a big job,"
was the conclusion of Jack Morris,
director of public relations of Busi-
ness Men's Assurance. He said his
company decided to experiment with
national magazine advertising 11 years
ago and "from the beginning we made
a Big Toot about a small program
through intensive merchandising." Based
on B.M.A.'s experience, Mr. Morris
listed four essential ingredients to
insure best results from use of
national magazines: (1) Select media
with high prestige value; (2) mer-
chandise your advertising to the hilt;
(3) help your fieldmen compare the
advantages of your program to them;
(4) always remember that national ad-
vertising is prospecting and not a sales
device.

"The first year," Mr. Morris said,
"we used just one black and white
column in Time, plus the miniature re-
print and right away B.M.A. salesmen
discovered the tremendous prospect-
ing and prestige value of a 'tie-in'
with important national magazines."

Mr. Morris said the program has
expanded considerably in recent years
until today "we believe we are reach-
ing the largest possible audience and
providing our salesmen the best of
prospecting aids at the lowest cost per
1,000 of potential prospects."

A simple presentation shows each
salesman that his proportionate share

of the total B.M.A. national adverti-
sing expense (\$50.70 per man for an
entire year) could not begin to do a
similar job in any other medium. Mr.
Morris put it this way: "Above all we
want our salesmen to prefer national
magazine advertising over other media
on a fair basis of comparison."

The speaker listed methods used to
help salesmen get the most out of
their company's advertising program.
"In January we send every salesman
a complete announcement of the ad-
vertising plans for the year. We pro-
mote our national advertising program
in the trade press. Every time a B.M.A.
ad appears in a national magazine,
each salesman receives a copy of the
magazine and a letter from the pub-
lisher pointing out advantages of the
ad. Two types of reprints are being
used successfully by B.M.A. salesmen
...at least one is available for use
with every B.M.A. ad. Leads from
coupons are promptly sent to salesmen
with a card reminding them that the
inquiry is from national advertising.
Stories of sales resulting from these
inquiries are publicized in the B.M.A.
bulletin."

Mr. Morris concluded: "The best
and biggest advertising program can
never substitute for your salesman,
but it can definitely build prestige and
make it easier for him to reach his
best prospects."

Admitting that his company is "new
to consumer advertising," Jose L.
Hirsh, vice-president of Sun Life of
Maryland, told of recent local adverti-
sing campaigns in Indianapolis, Col-
umbus, and other cities where "re-
sults so far justify continuation."

He began by explaining that Sun
Life, as a combination company, con-
tinues operations to large metropolitan
areas. When the decision was made to
go into advertising, plans had to be
laid "on a local or strategic basis in
order to avoid waste in expensive cir-
culation."

Inspired by Prudential's "Phoenix
Story," the company mapped an adverti-
sing campaign for Indianapolis, a
new city where "we were plagued
with a severe manpower problem."

With help from an advertising agen-
cy, the program got under way in Sep-
tember, 1951. Mr. Hirsh listed three
objectives: (1) Recruit agents; (2)
increase volume, and therefore earn-
ings of present agents; (3) convince
the present local field organization
that the company is behind them
100%. Mr. Hirsh admitted that all
related to recruiting, but he said,
"we were still interested in increasing
volume and in getting the company
better known in the city."

Advertising consisted of "one 600
line ad in the newspaper each week
for 13 weeks, occasional television
spots and a 15-minute morning radio
program, five days a week...for 13
weeks."

Mr. Hirsh described the radio pro-
gram as "a disc jockey show" fea-
turing "a popular local announcer." Part
of the program was called "the
Sun Life Billboard" for which the an-
nouncer solicited the audience for news
of local activities and community af-
fairs. He said response was "terrific."

"As to actual results of the cam-
paign," said Mr. Hirsh, "we were
able to trace at least 20 men who had
been interviewed directly...of these
...five were introduced on debits.
Our weekly premium production
showed an increase of 53% over the

pre-campaign average—not all attri-
butable to the campaign but some of it
certainly. Ordinary showed an increase
of 10% over the pre-campaign volume
...in addition, we are certain that a
substantial volume of business and a
fair number of new men were influ-
enced in favor of Sun Life through
our advertising."

Mr. Hirsh pointed to a similar
campaign in Columbus where adver-
tising was used for nine of 23 months
the company had been operating there.
Results were these: Of 120 applicants,
15 were hired. This was a year ago,
with the company, two having been
said Mr. Hirsh, and five are still
promoted to assistant manager.

Sun Life is currently advertising on
radio only in Chicago. The program
aims to promote sales of a mortgage
cancellation plan but according to the
speaker, "it is too early to accurately
measure results."

As to the future, Mr. Hirsh said
"it is our plan to advertise in every
city in which we operate, not simul-
taneously, but as the situation de-
mands...we will stress some particu-
lar policy, aim for name recognition
and endeavor to develop more presage
for our agents."

Wolverton Is Studying European Health Plans

Representative Wolverton of New
Jersey and several of the members of
his committee who are studying health
insurance and related problems, are
leaving shortly to take a trip to Europe
to investigate the situation there.

Mr. Wolverton put out a statement
before his departure in which he said
his committee upon its return intends
to investigate "particularly the means
by which individuals can prepare for
the cost of illness—voluntary prepay-
ment plans," and to find out to what
extent these plans are effective, how
they could be improved and what
would be the appropriate role of pub-
lic agencies. The committee "will as-
sess a contribution of voluntary health
agencies to the American health pat-
tern as a whole."

In Europe, the committee will confer
with health officials in England, Swe-
den, France and Italy.

Gulf Life Joins Conference

Gulf Life of Jacksonville, Fla., has
been admitted to membership in H&A
Underwriters Conference, it being one
of the companies accepted during the
underwriting forum of the conference
at Chicago last week. The other new
members are Central National Life of
Omaha, Indianapolis Life, and Midland
Mutual Life of Columbus.

Union Central Names Ryan

Harry J. Ryan has been named man-
ager at Davenport, Ia., for Union Cen-
tral Life. Mr. Ryan has been an agent
of Equitable Life of Iowa at Dubuque
since 1948 and is a past president of
the Dubuque Assn. of Life Underwrit-
ers. A CLU, he is a navy veteran of
the last war.

Tenn. Changes Affect Insurance

NASHVILLE—Several of the new
amendments to the Tennessee consti-
tution will have an effect on insurance.
Extension of the governor's term from
two to four years will assure a like
term for the insurance commissioner.
A provision that the governor can veto
or reduce separate items on appropri-
ation bills will be a safeguard against
last-minute unwanted legislation, and
the restoration of "home rule" to coun-
ties and cities will help eliminate a
swapping factor that often decides the
issue on important legislation.

Late News Bulletins . . .

(CONTINUED FROM PAGE 1)

the legislature. Chances of his investigation getting anywhere are regarded as negligible. The same view is taken of the demand recently made by Congressman Heller, also a Brooklyn Democrat, that Congress investigate the life insurance business because of the New York department's criticisms of Equitable.

Tramburg Named Social Security Commissioner

President Eisenhower has named John W. Tramburg, Republican from Wisconsin, commissioner to succeed Arthur J. Altmeyer. The appointment is subject to Senate confirmation next year. The White House said Tramburg was recommended by Senators Wiley and McCarthy of Wisconsin.

Mr. Tramburg was formerly District of Columbia welfare director, served in the navy during the war, and more recently has been executive director of Wisconsin's public welfare department and chairman of the council of public assistance and welfare administrators.

Provident Mutual Hikes Dividend Scale

Provident Mutual Life is increasing its 1954 scale of dividends, representing about \$1,500,000 over the amount which would have been paid under the 1953 scale.

Thomas A. Bradshaw, president, attributed the increase to improved interest rates, continued favorable mortality, and the large average amount of insurance for recently issued policies.

"Search" to Dramatize Polio Vaccine

NEW YORK—The first documentary radio presentation on the development and use of anti-polio vaccine by Dr. Jonas E. Salk will be presented on the "Search That Never Ends" series over the Mutual Broadcasting System Tuesday 9:30 to 10 p.m. eastern time. Speaker will be Basil O'Connor, president of the National Foundation for Infantile Paralysis. The series is presented each week by Mutual Broadcasting in cooperation with the Institute of Life Insurance.

Inter-Ocean Plans 50th Year Celebration

Plans are now complete for Inter-Ocean's 50th anniversary homecoming celebration being staged at the Hotel Netherland Plaza, Nov. 16-17.

There will be talks by President W. G. Alpaugh and other members of the official family, as well as addresses from several distinguished guests, including John Hanna, managing director of H & A Underwriters Conference, E. H. O'Connor, managing director of Insurance Economics Society, and Alden C. Palmer, chairman of Insurance R & R.

Inter-Ocean was founded in 1903 in Springfield, Ill., and moved its executive offices to Cincinnati in 1917. Until 1947 the company was engaged exclusively in the personal A & H business, but since then has developed a substantial life volume.

Pille Takes LIAMA Reins At Chicago Annual Meet

(CONTINUED FROM PAGE 1)

searching evaluations of the possible effect of current Washington activities on life insurance. Ray H. Wertz, Lincoln National, Detroit, chairman of the General Agents & Managers Conference of National Assn. of Life Underwriters, also participated in the latter forum. Both of these forums are reported elsewhere in this issue.

At the fellowship luncheon that day, with Grant L. Hill, Northwestern Mutual, LIAMA president, presiding, Managing Director Charles J. Zimmerman read a telegram from President Eisenhower commending association members for their "important contributions to the economies of Canada and the United States and to the welfare of millions of individual men and women." Through the association, the telegram continued, "you are strengthening the understanding and trust which are the hallmark of the relations between our two nations as well as promoting the national welfare by seeking ways to improve your important service to the public." Luncheon speaker was Dr. F. Cyril James, principal and vice-chancellor of McGill University in Toronto.

Completing that day's session were the presidential report of Mr. Hill, a panel discussion on "Let's Talk Shop", led by Lewis W. Chapman, LIAMA director of company relations, in which his staff members reported on business innovations they have come across in recent travelings; and the small

companies' dinner, which, with Frank L. Whitbeck, Jr., Union Life of Arkansas, presiding, again was a stellar affair. Dinner speaker was Charles Evans, assistant to the president of Arkansas Power & Light Co. It was preceded by a reception with Phillip J. Weber, general manager of the Edgewater Beach hotel, as host. The panel led by Mr. Chapman is reported fully elsewhere.

In summarizing the work of LIAMA during the past year, Mr. Hill said "Your association has 24 committees on which 285 company officers representing 158 companies are serving." He reviewed some of the work these committees accomplished during the past year, paying special tribute to the relations with universities committee which sponsors the deans meeting each spring at association headquarters, the fellowship program under which 16 fellows spent time in life insurance companies last summer, the speakers bureau which supplied lecturers to more than 50 colleges and universities last year and the continued progress being made to introduce life insurance into the curricula of colleges and universities.

"The association is conscious of the continued need to eliminate all unnecessary meetings, to prevent duplication of activities, and to coordinate the workings of all the trade associations," Mr. Hill said. "This area continued to receive study both by officers and directors."

"In 1953," he went on, "the research division has produced 11 reports cov-



Lewis W. S. Chapman, director of company relations for LIAMA, pictured with Grant L. Hill, Northwestern Mutual, LIAMA president, at the association's Chicago gathering.

ering a wide variety of topics. The information index, a scientifically developed and tested instrument for measuring the level of ordinary life insurance knowledge, has now been made available to the membership. Our use of research products continues to increase. This year we will use approximately 200,000 aptitude indexes, 50,000 selection interview blueprints, and 3,000 sales method and information indexes."

"More important perhaps," Mr. Hill said, "is that our research program has reached a turning point. The necessary statistical spade work has now been pretty well accomplished and our researchers are turning their efforts to field studies and experiments. This means that we can expect an ever-increasing number of exciting findings which are more closely related to our actual field of operations."

Mr. Hill told the meeting that everyone is human and needs meetings once in a while for inspiration. "That's why we are here," he said.

The Canadian companies fellowship breakfast opened Wednesday's program. Mr. Mackenzie kept the affair moving at a fast pace.

In addresses that morning, all of which are treated more completely in this issue, John L. Bennett, Dominion Life, New Westminster, B. C., president of Canadian Assn. of Life Underwriters, opined that there is no place in the business for the part-time agent. S. Rains Wallace, Jr., LIAMA director of research, told of the current status of the association's research program, and Frank B. Maher, vice-president of John Hancock, and Clifford L. Morse, secretary and director of agencies of Phoenix Mutual, discussed why companies should strive for persistent business and outlined methods for obtaining it. W. Rankin Furey, executive vice-president of Berkshire Life, presided at the morning session.

With M. K. Kenny, general superintendent of agencies of Excelsior Life, in the chair, afternoon talks were made by Robert C. Gilmore, Jr., Mutual Benefit Life, Bridgeport, Conn., NALU president; E. J. Moorhead, associate actuary of New England Mutual, and James E. Rutherford, vice-president of Prudential. There then was shown the play "Stardust" which depicts an MDRT member who is having trouble currently in qualifying. Written by Lafin C. Jones, executive assistant of Northwestern Mutual Life, the play has been an extremely popular feature at several life insurance meetings. Besides the combination companies' dinner, presided over by Mr. Maher, which again was marked by sparkling features, the day's card included lun-

cheons for the ladies in attendance and also one for the speakers. A. Gordon Nairn, who is with the Prudential Canadian head office, addressed the combination companies' dinner.

Except for Mr. Moorhead's, Tuesday afternoon talks are treated more completely elsewhere. In presenting a special study by the LIAMA compensation committee, Mr. Moorhead noted that many life companies, both large and small, already have made considerable use of the new legal margins in agent compensation.

He said a survey covering 37 companies, 25 of which operate on the general agency basis and 12 with branch offices, showed that 10 insurers have increased compensation to the soliciting agent beyond the limits of the old law and eight others have increases not going beyond former limits.

Nine general agency companies, he added, have increased general agents' first year compensation beyond the former 55% maximum. He pointed out, however, that "this does not necessarily mean the total amounts paid" as general agents were increased, because these changes may have been accompanied by corresponding decreases in the expense allowance formulas or increases to soliciting agents, leaving the overwriting margin unchanged.

Mr. Moorhead said seven companies have introduced training allowance plans for new agents. Some of these are modifications rather than new financing procedures. Six general agency companies reported they have made use of the amendment permitting additional compensation to new general agents during the first five years. "You'll agree that in the seven short months since Gov. Dewey signed the 1953 amendments to the New York expense law, they have already affected agency compensation to an important degree," the speaker concluded.

On Thursday there was the annual report of Mr. Zimmerman and a "New Manpower" symposium, with Mr. Hill presiding. Symposium participants were C. B. Metzger, 2nd vice-president Equitable Society; Charles H. Schaaff, vice-president Massachusetts Mutual; Harold I. Weir, assistant general manager and superintendent of agencies London Life, and Mr. Heyl. Mr. Zimmerman's report, in which he pointed out that from a standpoint of member companies, finances, and quantity and quality of staff, the association is at an all-time high, is reported more fully elsewhere, as is the symposium.

In the afternoon Mr. Moorhead conducted a compensation forum, an LIAMA feature which has become a meeting highlight. Recent developments in agent and managerial compensation, including section 213, were interpreted.

Also Thursday afternoon and evening and extending into Friday morning, the LIAMA trainers' conference was staged. Participants were Milton R. Hamilton, Imperial Life; Charles G. Heitzberg, Mutual Benefit Life; W. R. Jenkins, Northwestern National Life; Fred S. Sibley, Pacific Mutual Life; Leland C. Tallman, California-Western States Life; Andrew H. Thomson, New York Life; John K. Luther, Aetna Life; Lester S. Roscoe, Occidental Life of California; Homer C. Chaney, New England Mutual; H. Curtis Reed, Travelers; C. L. McPherson, Massachusetts Mutual, and J. Carlton Smith, Southwestern Life. Moderators were H. W. Gardiner, Minnesota Mutual; Horace R. Smith, Connecticut Mutual, and Ward Phelps Mutual Life.

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"I'm Glad
My 'Hunch'
Was Wrong!"



... says Mrs. William J. Salomonsen
of St. Paul, Minnesota

"I had an uneasy 'hunch' that selling life insurance—and making a success of it—would keep Bill on the go day and night. I was afraid he'd have no time left to spend with his family or just to do the things he likes to do.

"But my 'hunch' was wrong, thank goodness!

"Yes, a lot of hard work is necessary to make a success of selling life insurance, but with a little efficient organization, my husband has plenty of time to spend with the baby and me . . . and on his favorite hobbies of hunting and fishing.

"We've both come to love the life insurance business. It has enabled us through the years to have the material things which have given us so much pleasure and satisfaction. At the moment we're bubbling over with activity and enthusiasm, completing our new home . . . and, believe me, we're no less busy or enthusiastic about the great plans we have for our baby's future!

"Selling insurance has given Bill the freedom of operation his nature demands. More important, the business appears to be a challenge to him because it offers continual opportunity for advancement. Bill has been selling insurance for Minnesota Mutual for 15 years, and each year he has earned a larger income than the year before.

"Naturally, I think my husband is a great salesman. While Bill is more modest about himself, he agrees that his progress has been greatly stimulated by Minnesota Mutual's wonderful sales tools, its wide variety of policies that enable him to serve all types of clients, and—most important of all—Minnesota Mutual's payroll deduction franchise plan. This plan has always been a pet of Bill's, providing him with an unlimited source of insurance prospects whom he has been able to sell on a convenient premium-paying basis.

"Finally, we feel our Minnesota Mutual relationship has resulted in so much success and happiness for us because of the helpful, understanding spirit the Company and Bill's agency always display toward us. They seem to be as interested as I am in Bill's success.

"Oh, yes! I can't forget to mention how pleased we both are with the new Agent's Contract. Now we'll get lifetime renewals, and even bigger renewals for the first 10 years if we keep Bill's renewal ratio up. *This means that our income could be increased as much as \$3,000 per year on Bill's present production!*

"Believe me, this is one wrong 'hunch' I'll never regret!"

Bill Salomonsen joined Minnesota Mutual in 1939, and except for 2 years in military service during the War, has been continuously under contract since. He has received the National Quality Award for life insurance service for 5 consecutive years, and he now has over \$2,250,000 of life insurance in force. In 1952 Bill paid for \$451,997 of business and has already paid for \$399,062 through September of this year. In addition, this year Bill has been a member of the "Fifty Club" three times, of the "President's Dozen" four times. He has also established one of the longest records in the Company's "App-A-Week" Club by writing at least one policy a week for 539 consecutive weeks. Minnesota Mutual is proud of Bill Salomonsen.

This letter, written by the wife of a Minnesota Mutual sales man, is published here as a deserved recognition of the enduring contribution she and her husband are making toward the continuing growth and progress of this Company.

**THE MINNESOTA MUTUAL
LIFE INSURANCE COMPANY**

ST. PAUL 1, MINNESOTA

Organized 1880

DIVIDENDS!

Our NEW DIVIDEND SCALE, effective January 1, 1954, will further strengthen the favorable competitive sales position enjoyed by our representatives and brokers.

The following illustrations at age 35 will indicate our NEW LOW^o NET COST per \$1000 of insurance:

ANNUAL DIVIDENDS*			20 YEAR SUMMARY (According to 1954 Dividend Scale)		
Year	O. L.	20 Pay L.		O. L.	20 Pay L.
1	\$4.98	\$5.42	20 Premiums	\$553.00	\$790.40
5	6.66	6.74	Net Payment*	376.06	628.75
10	9.05	8.04	Cash Value	362.44	653.56
20	11.87	10.36	Average Net Cost*	.68	1.24†

†Return over cost

*Dividends are applicable to policies issued since October 16, 1947, are illustrative only, and are not guaranteed.

For full information on all plans for all ages see the Massachusetts Mutual General Agent in your community.

Massachusetts Mutual

LIFE INSURANCE COMPANY

Springfield, Massachusetts

Organized 1851

Owned by its policyholders — operated for them